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MONEY FROM NEW CROPS HELPING WESTERN TRADE

First Evidence Is in Expenditure of Wages

BIG BUYING POWER

Returns From Crops, Mines, Forests and Fisheries Over $215,000,000 Greater Than Last Year

Estimates prepared by THE FINANCIAL POST on the basis of information obtainable to the end of September, indicate that the returns from Canadian field crops, forests, mines and fisheries for the current year will total $2,100,000,000 and will show an increase over last year of more than $215,000,000. In addition to this increased buying power, there is to be taken into consideration the livestock, poultry and fur resources of the country at $810,000,000, showing an increase of $85,000,000 over last year. All this is apart from the wealth in wages and profits created by the many general manufacturing industries. When this new wealth is taken into consideration, with the evidence of financial reserves of the people indicated by the facility with which $200,000,000 has been raised for federal financing, there is much to restore confidence in the stability of conditions.

According to advices to THE FINANCIAL POST from Calgary, the West is beginning to feel the benefit of the distribution of goods through the spending of the big sum in harvesters' wages paid by the farmers. Many of the farmers are now done with help, and it is the custom of most men who work in harvest not to take other positions until at least a good share of the earnings have been spent, and a good time had; this is now being felt in every business channel. As a matter of fact, this will have as much influence on business as a whole in cities as the spending of the funds realized by farmers for their crops. Many of the farmers owe large sums to banks and investment companies, and as these funds do not go into actual distribution to the trade, their returns will not be felt for some time to come. Merchants, one and all, report a very satisfactory trade, especially during the past two weeks. This will no doubt continue for months to come, and will mean a brisk fall trade, which was badly needed. Improvement in other Western provinces is not so marked as in Alberta, but their gradual betterment is reported.

Prospects for Collections

Implement companies like the Massey-Harris Co. are looking for better returns all round than last year. The price is regarded as fairly satisfactory in view of the size of the crop. Reports on actual collections are not yet available, but it is anticipated that the big crop in Alberta will mean more satisfactory returns from that province than for some years. In Saskatchewan the crop is up to the average and collections should be about the same as a year ago. In Manitoba, however, conditions are not so good in the territory south of the C. P. R., where there have been recurrent crop failures for some years. In the northern part of the province conditions are about average.

Reports to the mortgage loaning institutions as to the prospects for the collection of interest and principal are likewise satisfactory and the returns should be better than last year when collections made were a great deal better than for some years preceding.

The Construction Program

New construction valued at $50,779,000 was reported in the Dominion during September, which is $11,702,000 higher than a year ago. This is taken as a clear indication that the balance of the building year will exceed expectations in activity.

Pronounced activity has been in evidence this year in the construction of public works and utilities, according to MacLean Building Reports. During the first nine months of 1923 contracts were awarded in the Dominion for 219 bridges, costing $3,730,800; 66 dams and wharves, $3,379,200; 190 sewer and water systems, $3,677,200; 1,087 road construction, contracts, $28,025,000. This represents a total of $76,629,300 expended on engineering developments alone, or $24,630,300 more than during the same period of 1922.

Many Girls Secured by Advancing Fares

From Our Own Correspondent.

REGINA.—Of 526 girls that have been brought to Saskatchewan from the inauguration of the advanced fares in 1920 up to June 15, 1923, only six have returned overseas, and of the sum of $45,411 advanced to the girls the sum of $42,930 had been repaid up to June 15, 400 having repaid their loan in full, and the balance of 126 paying all but the sum of $2,430.57.

French Taking the British Home Market

LONDON.—The Leeds correspondent of the Morning Post reports that the textile industry is under a dark cloud. Every week mills or sections of mills throughout the area are closing down for an indefinite period. The outlook was never blacker and the causes of the present serious position are seriously disturbing the manufacturers. Not only are foreigners refusing to buy from local firms but they are firmly and successfully establishing themselves in other countries where previously the Yorkshire cloth had held sway. The position appears to be becoming acute, for cases have come to light within the last few days of British merchants buying cloth from foreign countries. France is sending large quantities of woollen goods to England.

HOW THE FORDNEY ACT SHIFTS GRAIN TRADE TO CANADA

Europe Now Buying Direct and Eliminating the Middlemen

From Our Own Correspondent.

NEW YORK.—The volume of business being handled by the large grain exporting houses with headquarters in New York is much smaller than it was at this time last year. Some well-informed exporters with knowledge of conditions in both Canada and the United States hazard a guess that of the grain being sold by some of the larger grain houses as much as fifty per cent. comes from Canada.

It appears that the practice of using Canadian grain to fill foreign orders, on the part of American exporters, became very general last fall, when, thanks to the Fordney tariff, the differential between the Chicago and Winnipeg markets became a big market factor. Exporters with well-established foreign connection were compelled to buy wheat and ship it through Canada if they were to hold their trade.

This fall it appears that in addition to less buying on the part of Continental Europe, the buyers on the other side have in many cases apparently decided to cut the American "middleman" out and buy from Canada direct.

It is interesting to note in this connection that one Canadian banker, whose institution does a great deal of grain export financing, sees in this situation, the explanation of the agitation for the resurrection of the war-time United States Grain Corporation; American farmers are not selling their wheat to Europe as fast or as plentifully as they would like and they want to shift the burden to the government.

Heavy Straw Makes Threshing Cost High

From Our Own Correspondent.

CALGARY.—Many of the threshing outfits have had to raise the prices for threshing on account of the fact that the straw is so heavy that it takes so much longer to thresh than was expected. As high as 15 and 16c a bushel is now being paid, and still, with the immense crops of straw to handle, it is doubtful if the threshing will be completed this fall.

EVANS NOW PROMISES EQUAL VOTING POWER

One Big Objection to Great West Loan Reorganization Plan is Dealt With

From Our Own Correspondent.

WINNIPEG.—The situation which has developed regarding the control of the Great West Permanent Loan and the associated insurance and trust companies is becoming very interesting. The meeting of local shareholders called by the present controlling powers was strongly opposed to the proposals of W. W. Evans and his associates in the Shareholders Securities, Ltd. It was alleged that prominent business men whose names appeared on the advisory board of the company had not been consulted and were merely directors of another company of Mr. Evans. References to the efforts to change control of the company were pointed and bitter and it is reported that action for damages is mooted.

The principal criticism of the new proposal, that the holders of the new preferred shares would not have full voting power, has been met by the announcement by Mr. Evans that the directors of the Shareholders Securities, Ltd., have revised the voting power to give the preferred shareholders full right to vote at all times, which, he points out, gives them absolute control of the situation, while only sufficient of the common shares are being sold at par value to finance the company's requirements. There are only 10,000 of these $1 shares, which only participate in surplus earnings above preferred requirements. Mr. Evans is optimistic as to progress being made.

Home Bank Revelations Point the Necessity for the Supervision of Bank Statements by the Government or the Bankers Association

Trial of Officials Should Have Lessons For Future

BAD SMASH INDICATED

Cash Assets Will Not Pay 25% Distribution to Depositors—Shareholders Responsible Under Double Liability

The dramatic climax in the affairs of the Home Bank, with the arrest of President Daly, Vice-president Gough and other directors and high officials, following the revelations of Curator Barker, indicating the filing of false returns with the federal government, promises a thorough investigation of the transactions which led to the collapse. But so far as investors in bank stocks and the general business community are concerned this is rather a case of locking the door after the steed is missing. They are rather concerned with the lessons to be obtained from the Home Bank collapse in indicating what might have been done or what may be possible in the future to prevent such an upheaval in financial affairs throughout the country and to assure depositors in our banks of such reasonable protection as will settle the recurring disquieting rumours which are having a direct effect on bank funds and curtailing the financial accommodation for trade, commerce and industry.

Ottawa's action emphasizes what has previously been pointed out, that certain of the monthly returns which have been made under the Bank Act have been no indication of the real position of the banks. All confidence in such returns has been destroyed by the revelations. To restore public confidence two courses appear to be open:

(1) Government supervision which will insure that the statements are reliable and will give the Minister of Finance the desired information regarding the business being done.

(2) Bank supervision by which the banks themselves, through the Canadian Bankers' Association, will become responsible for the reliability of the statements issued.

THE FINANCIAL POST has been persistently urging that the banks and the governments realize this situation and take measures which will reassure public opinion. The appointment of a practical, experienced banker as supervisor, and the limitation of commercial loans in relation to paid-up capital are two suggestions which have been made for consideration.

Position of Depositors

Curator Barker's report indicates a deficit in the Home Bank affairs of

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50 P. C. INCREASE IN IMMIGRATION

Greater Number from Great Britain but Americans Have More Money

From Our Own Correspondent.

OTTAWA. — During September, 25,349 new people entered the country. This cannot be credited altogether to recent changes, but it has given those shaping the new immigration policy a good idea of the possibilities.

Up to the end of September, over 100,000 immigrants had entered Canada since the first of the year, and immigration officials think that another 20,000 or more may be secured by the end. This would show an improvement on the 1922 showing by fully 50 per cent.

The Immigration Department is still rather concerned over the emigration to the United States, for it is admitted that the number thus lost this year has been large. The officials, however, do say that a large number have since returned, possibly about 50 per cent.

During the year ending August, the value of settlers' effects that came in from the United States was $4,723,000, or $550,000 less than during the previous year. During the same time, the value of settlers' effects that went over to the United States was $8,450,000, or $2,888,000 more than during the preceding 12 months. In August, about $450,000 more of effects went out over the line than came in.

The United Kingdom, from which this country is now getting so many people, does not send nearly as much in the way of property as does the United States. In August, the British settlers brought $66,779 of effects, as against $498,000 from the United States, and that despite that they outnumbered the American settlers by six to one.

The figures of the U. S. Steel Corporation's bookings in the first three weeks of September, 31,391 tons daily average, against 15,268 tons daily in the corresponding three weeks of August, or more than double, show conclusively that there has been a real and decided betterment in demand.

Shift in Savings Deposits Indicates The Need to Restore Public Confidence

The necessity for some action on the part of banks, either through the Canadian Bankers' Association or the government, to restore public confidence, following the Home Bank failure and other developments, is indicated by the shift in deposits from the smaller banks shown in the government return for August. THE FINANCIAL POST is informed on good authority that, following the Home Bank collapse one of the larger banks made a proposition to the other banks that an immediate payment of 25c on the dollar be made to Home Bank depositors and further that, in the event of unsettled conditions having the effect of reducing the deposits of some of the smaller banks in favor of the larger institutions, the latter should redeposit such surpluses in the smaller banks, thus stabilizing the whole situation without taking advantage of public apprehension. It may be added that this suggestion was not acted on. The shift in deposits is natural. It could no doubt be checked if either the C. B. A. or the government would put forward a constructive suggestion for outside inspection or some other method of restoring confidence in bank statements.

While the reduction of $10,000,000 in the total deposits is not important in view of similar or larger reductions in the totals during the same month in previous years, the drift deposits from the smaller banks is significant. Consider the following figures:

Savings Deposits

	Aug. 1923	July 1923	Change
Montreal . .	$ 288,552,452	$ 288,754,242	—$ 201,790
Nova Scotia	105,828,113	105,762,225	+ 65,888
Toronto . .	46,233,102	46,673,013	— 439,911
Molsons . .	41,326,324	41,682,900	— 356,576
Nationale .	26,644,780	26,293,384	+ 351,396
Provinciale .	23,348,658	23,715,422	— 366,764
Union . . .	57,352,077	59,800,262	— 2,448,185
Commerce ..	158,537,704	159,274,784	— 737,080
Royal . . .	183,742,428	180,685,805	+ 3,056,623
Dominion ..	63,966,742	64,607,115	— 640,373
Hamilton . .	38,046,927	39,404,141	— 1,357,214
Standard . .	38,924,574	43,122,679	— 4,198,105
Hochelaga .	44,701,236	44,468,072	+ 233,164
Imperial . .	60,847,425	62,986,747	— 2,139,322
Sterling . ..	10,524,383	11,372,793	— 848,410
Weyburn Sec.	1,411,951	1,448,772	— 36,821
	$1,189,988,876	$1,200,052,356	—$10,063,480
June		1,214,245,872	— 16,755,608

The reduction in total deposits during the month was not so great as the reduction of $16,750,000 during July and the total at the end of August was still $26,000,000 greater than at the same time a year ago. Thus the situation is reassuring as regards the total. But it is quite possible that there has been a more significant change than the figures indicate at first glance. Deposits withdrawn from the banks and placed with federal or provincial savings banks, for instance, would come back into the banks again as deposits. The increase of $3,000,000 in the deposits of the Royal Bank is pointed out in this connection as it is generally understood that the Ontario provincial savings branch does business with the Royal and this may represent deposits lost by other banks to the government system.

Little Loans That Grew to Losses of Millions

Here Are Some Reasons for a Probe of the Home Bank's Crash—The Rum-Running Episode Told in Detail—Millions Sunk in New Orleans

From Our Own Correspondent

How small losses grew to millions through the weak-kneed policies of the directorate, is the tragic story revealed in part by the Curator's report on the Home Bank. The fuller details will come out later, when the trials of the officers, directors, and officials of the bank are held.

Take the British Dominion Holding and Investment Corporation, for instance. Some little light has already been thrown upon the activities of this company that is likely to net the bank a loss of a million and a third dollars, but not half the story has been told.

Started With Shipbuilding

The first chapter goes back to the infamous Davie Shipbuilding Company that was mixed up in Canada Steamship affairs some time ago. This company was financed by the Merchants and the Home Banks, the latter advancing large sums for the building of vessels for the French government, through a special account in the Montreal office called the "Barnard special." Mr. C. A. Barnard, K.C., was president of the Davie Shipbuilding Company and was on the directorate of the Home Bank at the time of the smash. In one year no less than $3,500,000 was paid out by the bank through this account. The directors had only granted it a line of credit or overdraft of $100,000 but when the French government refused to take delivery of the vessels sent to it by the Davie Company and the drafts came back unpaid, the bank was in for a loss of $600,000 because the money expected from the French government had been paid out in cheques.

Mr. Barnard, it is learned, assumed payment of the account and took over two vessels, the Vaudreuil and the Paipponge, to give the boats their present names. He then pledged the boats with the bank for the amount of his (or the shipbuilding company's) liability.

Started to Operate Boats

The bank decided to get some revenue at least out of the boats and that is how the holding company was formed. It took over the boats from the bank, assumed the debts, which were then guaranteed by Mr. Barnard, and proceeded to operate them.

Here is where the rum-running episode came in. The holding company, which was the Home Bank under another name, chartered the Vaudreuil through an old established vessel agency in New York. All went well and it got its payments regularly but it was not long before the bank learned that the boat was running whiskey from Glasgow to New York. It is said that the directors tried to cancel the charter but were told that there was no law of any kind, international or otherwise, against the transport of whiskey on the high seas and as the boat was not touching the United States but unloaded its cargoes off shore, the charter could not be cancelled. So the rum-running went on.

Even with such a profitable business, the boats could not make money for the bank. An offer of $400,000 for one of the boats, which would have let the bank out with a loss of around $200,000 and which could have been reduced by the sale of the second boat, was turned down by the directors, THE POST is informed. Instead, the interest was allowed to mount up, and expenses too. Whenever a representative of the bank went to New York to

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FOR GOVERNMENT SUPERVISION TO IMPROVE SYSTEM

Former Canadian Banker For Inspection and Loan Limit

Government supervision with limitation of loans, as outlined by THE FINANCIAL POST last week, as an improvement for the Canadian Banking system, is strongly favored by another former Canadian banker now with an American bank. The following letter is from R. K. O'Hara, of the Union Trust Company, Chicago:

Chicago, Sept. 29, 1923.

Editor, The Financial Post,
Toronto.

Undoubtedly there are many changes that could be made in the Canadian banking system which would work to the benefit of the Dominion at large. A country is said to be as strong as its financial institutions, and, if in the minds of the public there is a lack of confidence in Canadian banks or banking methods the Dominion cannot prosper to the extent it is justly entitled.

I am firmly of the opinion that Canadian banks should be under some form of Government supervision—by this I mean, that the Dominion Government should appoint its own corps of inspectors, which, although on the Government payroll, the expense of maintaining should be paid by the banks. These inspectors would make an independent examination of the entire organization of the banks, including branches, and report back to the chief Government Inspector in charge of the inspection of the institutions. This would embrace a careful analysis of the class of paper in all branches, and paper of doubtful value should be charged off and not allowed to remain on the books of the bank as a live asset in the hope that it may be ultimately paid. Worthless or doubtful paper has no proper place in a bank's statement. The present system of branch examination by a corps of inspectors employed by the bank is satisfactory as far as the management of the institution is concerned, but the true condition of the bank is not known to the depositors of the Dominion Government, who are more vitally interested than anyone else. The condition of any bank should be made a public record.

I am familiar with the fact that Can-

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SHIPPING ACT IS TOO SEVERE ON AMERICAN BOATS

Feeling That Government Too Stiff In Its Attitude

INSURANCE IMPROVED

Legislation Has Had the Desired Fact in This Connection General Grain Situation Fairly Satisfactory

From Our Own Correspondent

WINNIPEG. — Manitoba has been enjoying ideal weather, threshing is more than 75 per cent. completed and fall plowing is going forward very rapidly. The Manitoba government has issued a recent estimate of 13 bushels per acre for wheat, but so far as threshing returns have come to hand I do not feel inclined to change my own estimate of 12 bushels.

Threshing was delayed for over a week by rains in Saskatchewan, and rains and snow in Alberta, and has only been resumed yesterday and today. Yields from both provinces are very high and crops of even 65 bushels are reported from Alberta. It is amusing how people are swayed by individual high yields. Men who were very scornful of what they characterized as "the absurdly high" estimate made for the Free Press are now claiming it is too low.

Grading is being well sustained. Marketings at country elevators are running about four and a quarter millions daily and loadings to cars nearly three millions. Loadings to boats at Fort William have averaged 1,280,000 daily for the last eleven days. Complaint is made that owing to the crop being exceptionally weedy it is impossible to clean it fast enough to keep ahead of the boats waiting to load.

The Shipping Situation

Meetings in Toronto between Board of Grain Commissioners, the New York Export Company and the Vessel Men of Cleveland, have been abortive. The following dispatch from Cleveland has reached Winnipeg:

"It looks as if the American vessel owners were through with their attempts to get into the Canadian grain trade this season. There was a meeting of vessel owners at which Mr. Goulder, who was the last to return from Canada, gave an outline of what had taken place at the Toronto meetings, being the chairman of the Board of Grain Commissioners for Canada, the representatives of the New York Exporters' Association and the Cleveland vessel men. He seemed to think that the American vessel men had done everything they could to show their willingness to trade in Canadian ports under free competition and private contract, feeling that this was the only way in which they could come in.

The Canadian Government apparently could not see its way to alter its stand which Mr. Goulder and those who have been with him appear to consider takes the Canadian grain trade out of the only class of business bulk American freighters have ever engaged in. The opinion of Mr. Goulder, expressed to the meeting, was to the effect that this deadlock closed the subject."

It is understood that in private dis-

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DOMINION OF CANADA LOAN 1923

THE BANK OF MONTREAL at all its Branches will accept subscriptions for the new Dominion Government Bonds, or effect the exchange of Victory Loan Bonds due 1st November, 1923, into Bonds of the new issue.

Full particulars will be gladly furnished at any branch *of the* BANK OF MONTREAL

Place Your Subscriptions to the New Loan through The Bank of Nova Scotia

YOU are invited to place your subscriptions to the new Dominion Loan through any branch of The Bank of Nova Scotia.

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THE Bank of Nova Scotia

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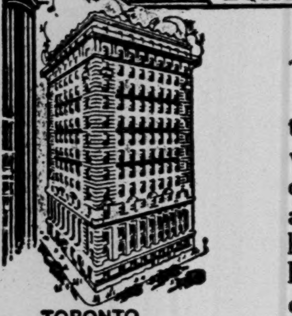

TORONTO OFFICE

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Victory Bonds maturing on 1st November may be exchanged for bonds of the new loan at any branch of this bank. Full information and application forms furnished on request.

EDWARD C. PRATT, General Mgr.

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A General Banking and Foreign Exchange Business Transacted.

CANADA'S HEAVY PURCHASES IN U.S. CAUSE CRITICISM

Many Canadian Industries Working Only Part Time

HIT AT C.N.R. BUYING

Order Placed for Cars Caused a Stir—Some Would Bar Buyers of Raw Materials As Well

Ottawa has announced the total trade figures with the United States for the 12 months ending August 31 and it is raising quite a furore in industrial circles. Compared with the year previous Canada purchased $111,000,000 worth more and sold $96,000,000 more. This has increased the balance against the Dominion to practically $200,000,000.

The figures:

	Imports	Exports
1923	$606,196,201	$407,236,825
1922	495,604,426	311,572,557

It is believed that the general knowledge that the Canadian National Railways placed a large car order in the United States and is reported to have purchased considerable other material as well, has been in a good measure the cause of the talk that is going around. The finger is pointed strongly to an item which shows purchases of $40,000,000 in rolling mill products, or double the total of 1922.

The general argument is advanced that the United States is purchasing from Canada only raw materials and making it as hard as possible to sell other goods in that country. Not only have tariff barriers been erected, it is pointed out, but red tape and inconvenience have been added. The point is being emphasized that whereas Canada, with 9,000,000 population maintains 502 ports of entry for customs, the United States with more than double a coastline for receiving trade and a population of 110,000,000, has only 302 and this total includes Hawaii and Alaska. Besides anyone shipping a bill of goods valued over $100 to the United States must not only pay the duty but also a charge for a consular invoice. This charge provides for the cost of maintaining the consular service.

Manufacturers state that they found the barriers against Canadian Trade to the United States very stiff during the past year. The reason given for this is that they fear the entry of English products through the Dominion. For this reason Canadian shipments are very closely scrutinized since the new Fordney tariff came into being. They declare that the Fordney tariff was clearly designed to keep goods out of the United States and as far as they can see, it is doing so.

On the other hand they declare that Canada's custom tariffs and facilities are framed to bring in goods.

The argument back of much of the criticism of many of the larger items in Canada's imports is that, the buyers should not go out of the country to buy when large Canadian industries, turning out like products, are working on reduced time. Rolling mills, packing houses, furniture plants, glass works, rubber plants, implement makers and machinery houses, are only a few of them.

The main items to which exception is taken and which make up about one-third of the total purchases are as follows:

Binder twine ..	$ 4,182,105	$ 5,510,271
Clay products .	2,486,074	3,414,153
Elec. apparatus	9,812,562	10,629,885
Roll. mill prod.	20,284,499	40,625,930
Farm imp. ...	7,119,141	10,224,006
Machinery	20,717,680	24,506,646
Vehicles	25,134,659	28,788,173
Unmfd. wood ..	8,743,013	11,507,183
Lum. and tim.	6,741,014	9,514,686
Paper	6,992,086	7,535,469
Rubber	5,253,313	8,772,197
Stone and prod.	2,951,171	3,895,217
Vegetables ...	3,861,960	4,129,800
Fruits	25,623,158	24,123,967
Paints	2,221,570	2,709,870
Glass	3,001,044	3,107,560
Meats	7,891,141	8,054,015
	$143,015,290	$167,049,028

Looking over the imports it is quite apparent that the greater part of the increase of $111,000,000 was for primary products. Imports of coal were 6,700,000 tons greater, which meant a money increase of $43,000,000; there was also an increase of $8,000,000 in the value of raw cotton. Imports of iron products accounted for an increase of $39,000,000,000, the $20,000,000 for rolling mill products and $3.000,000 for farm implements, being included in this.

At the same time the critics are laying no little emphasis on the goods which the United States are purchasing in Canada. It is being pointed out that the bulk of the United States purchases are raw materials which they are taking to their country to turn into the finished product for resale at a much greater return. The seeming desire is to gradually ease down on the exports of material and make the manufacturers of the United States come into Canada. The imposing of an embargo on pulp to the United States is only one of many steps that are found to be in industrial favor. The items which make up more than half of the United States purchases are asbestos, undressed furs, hides, unmanufactured leather, gold ore, nickel, silver ore, pulp and unmanufactured wood.

U. S. Spends Millions on Her Raw Materials

The busy manufacturers of the United States are bringing in manufacturing material from abroad at the rate of over $2,000,000,000 a year. Already in the 7 months of 1923 for which detailed figures are available the imports of manufacturing material are 1-1/3 billion dollars, suggesting that the total for the year will approximate $2,350,000,000, and exceed that of last year by about 50 per cent., in stated value.

BANKER SUGGESTS MENTAL VACATION

Capital Shrinks From Taxation While Labor Demands More Money for Less Work

ATLANTIC CITY.—Declaring that the bankers of America are confronted with the tremendous task of correcting the false impression that economic disaster lurks just ahead, Melvin A. Taylor, president of the First Trust and Savings Bank of Chicago, advocated a "country-wide mental vacation" in an address before the American Bankers' Association. After an earnest endeavor to determine why there is so much agitation, unrest, turmoil and bickering, Mr. Taylor had concluded, he said, "that the greatest part of our trouble is mental."

"To-day capital shrinks from its burden of taxation and rails at the restrictions of government regulation," he continued. "Labor clamors for shorter hours, shrieks for better working conditions and demands more pay. The farmer, exploited by politicians and suffering from the unwise activity of earnest but ill-advised friends, is rampant in his advocacy of political fallacies which would mean economic hari-kari for the country were they to prevail. While capitalizing the woes, real or imaginary, of each group, the demagogue is busy rising into power on the protests or approval of his particular faction, each and all of whom are prophesying, dreaming and 'seeing things.'"

DEADLOCK ON TREATY WITH AUSTRALIA

Canada Cannot Concede Commonwealth's Requests On Question of Dried Fruits

From Our Own Correspondent.

MONTREAL.—From Sydney, Australia, comes the opinion that a deadlock has been reached on the question of a Canadian-Australian trade treaty.

Towards the end of 1922 the Canadian government sent Hon. J. A. Robb, then minister of trade and commerce, to Australia with a view to arranging a reciprocal trade treaty between Canada and Australia. Schedules of the concessions which Canada and Australia were prepared to discuss were drawn up and considered, but he was unable to accept the proposals, and negotiations were continued by cable with the Canadian government when he left Australia.

The matter in dispute relates to dried fruits, involving the major concessions which Canada is in a position to offer Australia. An attempt has been made to settle this question apart from the others, but the Canadian government refuses to give a preference on dried fruits unless Australia agrees to the whole of its other proposals.

In outlining the position in the Australian parliament, the Prime Minister, Mr. Bruce, said: "At the present time the Commonwealth government does not see its way to accede to all the requests the Canadian government is putting forward; and unless we can find some basis of compromise, I am afraid it will be impossible to deal with the dried-fruit question separately."

C.M.A. Opens Fight Against Present Preferential Tariff

General Increase in Protection Demanded by Manufacturers in Many Lines — Textiles, Shops and Shoes Are Particularly Anxious—Howard Smith's Views

From Our Own Correspondent

MONTREAL. — Evidence accumulates that Canadian manufacturers in many lines intend to make a determined drive for higher tariff walls. The manufacturers want a revision to something nearer a National Policy in tariff matters and the Canadian Manufacturers' Association has officially declared its lack of sympathy with British preferential tariff. This, it feels, has given favors to British producers at the expense, and, it claims, very heavy expense of Canadian manufacturers. This attitude was expressed by C. Howard Smith, president of the C. M.A. in his speech at Montreal last week, when he declared that Canada should endeavor to increase her export trade through preferential tariffs based on the principle of bargaining with other countries, particularly countries in the British Empire. And the attitude of the C.M.A. president was supplemented by statements of other Canadian manufacturers who came out with distinctly hostile opinions towards the present preferential tariff.

Woollen Industry's Demands

The speech of C. Howard Smith, when he pleaded for higher tariff, is to be regarded as an important opening gun in a fight for more protection. The woollen industry particularly have been active in impressing upon the government at Ottawa what they feel to be the necessity for greater protection for their industry, which has been seriously affected by increases in the British preference during the past two years. The woollen industry has won the first skirmish with the government, which has capitulated to the extent of sending an official from Ottawa to Great Britain, France and Belgium, to study at first hand the textile industry abroad, to see just why Canadian manufacturers cannot compete with the present tariff schedule against the textile manufacturers of those countries. This action of the government has been kept a dark secret, but was hinted at by one of the speakers at the Montreal meeting, representing the woollen industry.

The textile industry points to the many mills that are now not operating and to many others that are operating only on a part time basis, as substantiation of its plea that the textile industry in Canada cannot exist under the present tariff. The action of the Dominion Textile Corp. in declining to publish its annual report for 1922-23 may be another shot in this battle. The report would have shown a very excellent year indicating much better conditions that are believed to exist at the present time and possibly leading politicians to assume that there was no weight in the industry's demands for greater protection.

Effects of Tariff Changes

Mr. Smith reviewed the manufacturers' attitude towards the recent tariff changes. He said in part:

REDUCTIONS IN THE TARIFF

"Under the pressure of public opinion created by these statements, the government made serious reductions in the tariff, in 1919 and again in 1920.

"If the charges against the policy of protection were sound, conditions should have immediately improved in Canada, following these tariff reductions. Farmers should have become more properous; consumers should have been better off, the country should have gone ahead.

"It might have been supposed that these results would have proved a convincing lesson, but unfortunately, the agitation had not spent itself. The old cries were continued against the tariff. Farmers and consumers generally were told that the remedy for bad times lay in more tariff reductions, and the new government yielded and made tariff reductions in 1922 and 1923.

"The situation was aggravated by increases in the British Preferental Tariff and these were particularly harmful to the Canadian woollen and knitted goods industry, as the increase in the imports of these goods from Great Britain showed. The British Preferental Tariff should, he believed, be put on a more equitable basis. It had failed to accomplish the objects for which it was designed."

From this point the C. M. A. president went on to indicate that Canadian manufacturers could not compete with their British rivals principally because of higher wages in Canada, which run from $10 to $30 a week higher than those paid British workers.

Attitude to the Preference

He made a point that he did not ask for the cancellation of the preferential tariff, but felt that it should be based upon the principle of bargaining. He favored a general increase in the general tariff. This would increase existing preferences and enable the country to bargain in tariff matters.

Mr. Smith compared Canada with the United States emphasizing that reduction in the purchasing strength of the 2,500,000 Canadians depending for their living upon the present prosperity of the factories, had adversely affected the prosperity of the nation. In the United States, an advanced tariff had increased the prosperity of the citizens and had attracted about 4,500,000 good Canadians to the South.

Effect On Immigration

The effect of the lower tariff on immigration, taxation and railways was discussed. The United States owing to its protective policy was able to pick and choose its immigrants and was securing an excellent type of people who should be coming into Canada. In reducing the tariff the government has been forced to seek new fields of taxation in order to fill the gap between expenditures and receipts and had established a sales tax. The railways he pointed out, required a profitable traffic in the carriage of raw material to factories, and the finished goods from factories to distributors and consumers. There was little revenue for the railroad in the short haul north from the United States border. He felt that if a tariff policy was adopted that would cause the country's raw materials to be manufactured within the country, there would be no trouble about getting capital for productive enterprises. Additionally, there would be no trouble in attracting immigrants to a prosperous country.

The Textile Industry

George A. Dobie, of Galt, president of the Canadian Woollen Manufacturer's Association, pointed to the damage sustained by the woollen and knitted goods' industry through the increases in the British preference, and stated that the federal government was being asked to send an investigating officer to Great Britain in order to determine at first hand the reasons why the Canadian woollen manufacturers needed a tariff protection against their British rivals.

The British manufacturers, enjoying lower manufacturing costs were able to send their goods into Canada under the low British Preferential tariff. In 1922 the British preference was increased, the result being that during the fiscal year ending March 31, 1922, woollen and knitted goods were imported into Canada from Great Britain to the value of approximately $22,500,000, out of a total turnover in the country of about $69,500,000. The preference was again increased in 1923, and this was immediately reflected in the imports, woollens and knitted goods coming in during that fiscal year to the extent of about $31,000,000, an increase over the previous year of more than $8,500,000.

If the Canadian industry was accorded a fair measure of protection, it would, he declared, prosper and assist in the building up of the home market and the nation generally.

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WHAT INQUIRY FOUND

Conclusions of Prof. MacGibbon of Alberta Should Be of Interest — Result of Exhaustive Investigation

From Our Own Correspondent.

VICTORIA.—The farmers of British Columbia are trying strenuously to revive interest in a provincial bank proposal. Before the last provincial election, in 1920, Hon. John Hart, Minister of Finance, declared that if the government were returned to office he would take steps to organize a provincial banking system. It was an election issue, and the government seemed, at the time, to be rather disappointed that it did not become a popular cry. The provincial bank system failed to arouse much public interest or manifestation of support, and when the government was returned to office nothing was done towards carrying out the scheme.

But the farmers have hit upon the idea that what is wanted above all is a provincial government bank. Such an institution, they claim, would enable them to secure loans at about 5½ per cent. instead of at 7 per cent. and over.

They contend that such a bank would be able to pay depositors 4 per cent. interest and maintain their service at a cost of about 1½ per cent., allowing the loans to be made to the farmers or whoever applied for them at cost—5½ per cent.

To Public Demand

Whether a provincial bank as such is established, the British Columbia farmers will make a strong fight during the next session of the Legislature for a new system of rural credits, and if measures are brought down to enable the farmers to finance their operations at a satisfactory rate of interest the broader scheme of government banking will probably be again forgotten. The agitation is coming from the agrarian section entirely. The general public has not signified the slightest interest and, in view of the dangers of pioneering in any line of government endeavor, the British Columbia government is not regarded as likely to adopt such a far-reaching system without first exhausting every means of avoiding it.

In view of this agitation in British Columbia it may be interesting to give a summary of the conclusions with regard to the proposal for a government bank in Alberta reached by Professor D. A. MacGibbon, of the University of Alberta, after an exhaustive inquiry:

1. The province of Alberta is still in the development stage. For many years there will be a demand for vast sums of capital to enable it to reach the full measure of its resources. The bulk of this capital must come from elsewhere. At present one of the greatest agencies the province enjoys in this respect is the chartered banks. Many farmers in this province, with scant capital resources, are financing through the banks. Despite severe temporary reverses these farmers are gradually winning through, and their difficulties with the banks will presently disappear. But this will take time and for many years to come there will be other settlers entering Alberta with precisely the same difficulties and the same problems to face.

2. Our banking system is the result of one hundred years of experimentation and experience in adjustment to the needs of industry. Each successive revision of the Bank Act has sought to better fit it for this purpose. But it is only in the last two decades, with the opening of the West, that the farmer has turned to the banks with anything like the same frequency that the business man does. If the banks wish to preserve this clientele they will have to adjust their policies and practices to meet the needs of these customers. Grievances and sources of irritation have been disclosed but do not appear to be of such a nature that they cannot be remedied along sound banking lines. The method should be mutual conference and open-minded study of the problems involved. To my mind the great problem at the coming revision of the Bank Act should be to revise the Act so as to enable the banks to become as convenient and flexible agencies for the dispensing of credit to the farming as to the mercantile and industrial side of our economic life.

3. A failure to achieve this purpose will undoubtedly lead to the establishment of competing institutions, government owned or otherwise, with this end in view.

4. An agreement to enforce uniformity of practice in the matter of discounting smacks of monopoly. In the public interest, where monopoly appears, so must regulation and control.

NEW TRADE INDEX

A new edition of the Canadian Trade Index has just been issued by the Canadian Manufacturers' Commercial Intelligence Dept. It is a substantial volume giving an alphabetical list of manufacturers, a list classified according to articles made, and a directory of exporters of agricultural produce and allied lines, forwarding agents, export merchants, etc.

There are also lists in French and Spanish, a list of Canadian Trade Commissioners, British Consuls, etc. It is a most complete record of Canadian industrial life.

Carbon Black From Western Gas Wells

A project is under way for the erection of a plant near Craigmyle, Sask., for the manufacture of carbon black from the gas wells there.

So far as is known there is no carbon black manufactured in the British Empire at the present time, despite the fact that Canada alone uses over half a million dollars' worth of this product, principally in the manufacture of printing inks, paints, phonograph records, carbon paper and automobile tires, this latter line taking up about forty-five per cent. of the entire importation.

BRITAIN BIG BUYER OF OUR MOTOR CARS

Canadian Autos Head All Other Countries in Old Country Market

From Our Own Correspondent.

MONTREAL.—British imports of motor cars from Canada exceed in quantity and value similar imports from any other nation. In every month, from August, 1922, to May of this year inclusive, Canada led other nations in sales of motor cars in Britain, although, with the seasonal falling off in shipments this summer, Canada slipped to third place for the month of June. Reductions in car prices by American, Italian, and French manufacturers, may also have had an influence in putting Canada's shipments in June below those of the other nations. The June figures are the most recently available.

British imports of complete automobiles in May and June of this year were as shown below. Imports of chassis are not shown.

Principal countries of origin	May No.	May Value	June No.	June Value
Passenger cars				
Canada	1,154	£ 180,174	454	£ 70,939
United States	788	139,398	584	82,596
France	374	54,361	492	71,910
Italy	21	6,099	53	12,914
Belgium . ..	11	3,330	3	1,208
Austria	22	7,705	3	1,163
Germany . ..	4	800	2	481
Other	6	1,162	6	926
Total	2,380	£ 393,029	1,597	£ 242,137
Trucks				
Canada	......	....	......	....
United States	5	1,807	5	2,187
France	16	3,446	26	5,224
Italy	19	1,509	9	742
Belgium	......	....	1	439
Austria	......	....	......	....
Other	1	150	1	500
Total	41	£ 6,912	42	£ 9,092

A comparison of the average values for complete passenger cars, which make up the bulk of the trade, and for the four principal countries of origin shows the following results for June, compared with May and January:

Principal sources	January	May	June
United States ...	£187	£177	£142
Canada	155	156	156
France	144	145	146
Italy	285	290	244

While these average values cannot be taken as an absolute criterion of the trend of car prices, they do indicate the relatively low prices at which American and Canadian cars can be laid down at an English port of entry, in spite of the long shipping haul; and they also reveal the high price of Italian cars in the British market, relative to the French product.

Reductions in car prices since the beginning of the year are especially apparent in the United States and Italian average values.

CONSERVATIVES AFTER BOURASSA'S PAPER

Attempt Has Also Been Made to Buy La Patrie—Montreal's Newspaper Paradoxes

From Our Own Correspondent

MONTREAL.—In addition to trying to purchase the Montreal Star, Sir Campbell Stuart negotiated for the control of La Patrie during his recent visit to Canada. It is understood that the Tartes, owners of La Patrie declined to consider the sale of their paper.

Another Montreal newspaper deal that may come through is the sale of Le Devoir to the provincial Conservative organization. The Conservatives are without a French-speaking organ and are anxiously negotiating for Le Devoir.

If they get the paper it would probably be an expensive proposition, for it would necessarily involve the retirement of the fiery proprietor and editor, Henri Bourassa. After the events of 1911 the Conservatives could hardly retain Bourassa as editor of their own paper.

But for all that Montreal is a city of journalistic anomalies and anything might happen. Recently, while Lord Atholstan's Star was whispering its pessimistic death utterances, the Herald, in which Atholstan is reputed to have more than a passing interest, was taking a directly opposite stand with its "Shout of Life."

A good story is told concerning the death not long ago of a leading barrister of Montreal, Victor Geoffrion, K. C. A short item appeared in Le Canada concerning his life and work, the editorial staff having dealt with the death as they would with the passing away of any other man in a similar position. But the next morning Senator Beique, president of Le Canada, is said to have raised a tremendous fuss and demanded why in the name of the Liberal party the paper could not run a better story about one of the chief owners of the paper. And all the editor could do was ask how in the dickens was he to have known who happened to be the owner of Le Canada at the moment.

Marconi Completes Mast at Glace Bay

From Our Own Correspondent

MONTREAL.—The Marconi Wireless Co. of Canada have completed one of the large steel masts which are being constructed at their Glace Bay, N. S. plant. Work will commence immediately on the erection of a second mast.

These masts are 600 ft. high and are being constructed to increase the efficiency of the Marconi plant in connection with the Empire wireless scheme. The Canadian Bridge Co. has the contract and when the work at Glace Bay is completed, similar towers for the Marconi Co. will be erected at Winnipeg and Vancouver.

The construction of this additional equipment for the Marconi Co. is in line with the arrangement recently reached by the British Post Office with the British Marconi Co. This arrangement is believed to be unique in the history of telegraph operations. The telegraph service of the empire is to be conducted by a wireless pool consisting of the Marconi Co. and the Post Office.

The Banks Strengthen Position In Holding of Liquid Assets

A reduction of $10,000,000 in the savings deposits is the outstanding feature of the August statement of the Canadian chartered banks. Apart from this, it may be pointed out that there is a tendency on the part of the banks to strengthen their liquid position, particularly by increased holdings of government securities. Current loans showed some reduction, this no doubt being the result of concentration of funds for the financing of the crop movement. Total assets showed an increase of about $28,500,000. Following are comparative figures:

	Aug. 1923	July 1923	Change	Aug. 1922	Change
ASSETS					
Immediately Available Liquid Resources					
Specie	$ 65,217,219	$ 70,604,489—	$ 5,387,270	$ 75,277,993—	$10,060,774
Dom. Notes	155,777,628	157,477,174—	1,699,546	159,475,205—	3,697,577
Gold Reserve	61,302,533	57,102,533+	4,200,000	52,402,533+	8,900,000
U. K. Banks	8,861,720	7,646,501+	1,215,219	9,126,864—	265,144
Foreign Banks	49,937,058	48,862,791+	1,074,267	101,887,904—	51,950,846
Gov. Secs.	252,889,383	241,804,212+	11,085,171	190,930,912+	61,958,471
Call loans ab'd.	203,913,891	191,591,179+	12,332,712	176,838,615+	27,075,276
	$ 797,899,432	$ 775,088,879+	$22,810,553	$ 765,940,026+	$31,959,400
Loans and Securities Other Than Those of Canadian Government					
Public Secs.	$ 111,778,687	$ 110,989,968+	$ 788,719	$ 97,237,143+	$14,541,544
R'y. Secs.	47,432,524	46,818,263+	614,261	42,478,380+	4,954,144
Can. Call L'ns.	98,123,000	95,701,912+	2,421,088	99,939,844—	1,816,844
Current L'ns.	1,046,295,745	1,048,598,084—	2,302,339	1,102,446,692—	56,150,947
L'ns Abroad	152,473,660	152,834,074—	360,414	145,119,753+	7,353,907
Prov. Loans	8,918,710	5,503,417+	3,415,293	7,288,264+	1,630,446
Municipal	74,236,601	73,891,845+	344,756	75,330,339—	1,093,738
	$1,539,258,927	$1,534,337,563+	$ 4,921,364	$1,569,840,415—	$30,581,488
Other Assets					
Ov'due D'ts.	$ 7,350,833	$ 7,213,428+	$ 137,405	$ 7,549,234—	$ 198,401
Real Estate	6,274,388	6,100,390+	173,998	5,038,555+	1,235,833
Mortgages	3,613,289	3,366,997+	246,292	3,317,639+	295,650
Premises	69,229,144	69,730,735—	501,591	71,367,989—	2,138,845
Lets. Credit	16,788,079	17,622,947—	834,868	15,485,788+	1,302,291
Other Assets	4,487,612	4,336,416+	151,196	4,202,587+	285,025
	$ 107,743,345	$ 108,370,913—	$ 627,568	$ 106,961,789+	$ 781,556
Total	$2,444,901,704	$2,417,797,355+	$27,104,349	$2,442,742,230+	$ 2,159,474
Note cir. dep.	6,124,227	6,124,227		6,435,605—	311,378
Int. Bk. Bal.	148,874,738	147,540,095+	1,334,643	126,389,371+	22,485,367
Gross	$2,599,900,669	$2,571,461,677+	$28,438,992	$2,575,567,206+	$24,333,463
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	$ 169,980,554	$ 163,043,856+	$ 6,936,698	$ 158,086,569+	$11,893,985
Dom. Gov.	45,395,425	33,018,267+	12,377,158	68,349,067—	22,953,642
Prov. Gov.	24,396,125	29,212,037—	4,815,912	24,246,075+	150,050
Demand Dep.	518,489,490	506,545,000+	11,944,490	475,415,834+	43,073,656
Savings	1,189,988,876	1,200,052,356—	10,063,480	1,164,069,400+	25,919,476
Total	$1,708,478,366	$1,706,597,356+	$ 1,881,010	$1,639,485,234+	$68,993,132
Foreign	304,560,865	296,845,947+	7,714,918	339,985,302—	35,424,437
Due to Banks Abroad, Etc.					
U. Kingdom	$ 5,499,385	$ 4,493,629+	$ 1,005,756	$ 8,952,778—	$ 3,453,393
Foreign	32,937,905	32,226,790+	711,115	26,120,052+	6,817,853
Bills P'ble	6,929,426	7,497,508—	568,082	6,750,757+	178,671
Acceptances	16,788,079	17,622,947—	834,868	15,485,788+	1,302,291
Other Liab.	3,919,286	2,239,756+	1,679,530	3,756,353+	163,033
Public Liab.	$2,318,885,416	$2,292,798,093+	$26,087,323	$2,291,217,873+	$27,667,543
Due bet. bks.	12,004,049	11,075,797+	928,252	8,348,388+	3,655,661
Gross	$2,330,889,465	$2,303,873,890+	$27,015,575	$2,299,566,261+	$31,323,204

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In many cases your written correspondence is your only point of personal contact with your client or your customer, and if through poor appearance or address it fails to convey the importance of your message, it naturally is received with but scant attention.

If, on the other hand, your letter has a "crackle" of quality—a clean, dignified appearance—it will command the same respect which would be accorded to you on a personal visit.

To ensure quality which you know will be faultless and therefore above comparison, specify SUPERFINE LINEN RECORD. Printers everywhere in Canada have it—better still, let us send a sample sheet.

All-rag, tub-sized and loft-dried. Made by The Rolland Paper Company, Limited, who have been making high grade papers for over 40 years.

The ROLLAND Paper Company
LIMITED - MONTREAL
Mills at St. Jerome, P.Q. and Mont Rolland, P.Q.
High grade paper makers since 1882.

THE WESTERN GRAIN BINS ARE BURSTING FULL

National Advertisers who have been working on restricted, appropriations for Western use—
Will put them back to full strength this fall.

When they do, they should remember—
That Western Canada is a big country.
And Saskatchewan *is its biggest unit.*

When Advertising, Put on Every Schedule
The Great Saskatchewan Dailies:
REGINA LEADER-POST *In the South*
SASKATOON STAR-PHOENIX *In the North*
Eastern Advertising Representatives:
Toronto—E. J. Guy, Royal Bank Building
Montreal—C. A. Abraham, 232 St. James Street
24

Dominion Government Bonds
Bought - Sold - Quoted

Our Dominion Government Trading Department is able at all times to buy, sell or quote the market prices on all bond issues of the Dominion of Canada.

WAR LOAN RENEWAL LOAN
VICTORY LOAN (New) REFUNDING LOAN

Bonds Delivered Free of Expense Anywhere in Canada

DOMINION SECURITIES CORPORATION LIMITED
HEAD OFFICE: TORONTO 26 KING ST. E.
MONTREAL ESTABLISHED 1901 LONDON, ENG.

News and Views for Investors

ANOTHER GOOD YEAR

Earnings of the Toronto Mortgage Company for the first nine months of the year are even more gratifying than for the corresponding period last year. The money available is employed to a large extent in mortgages. Collections are in excellent condition. It remains for the future to show what business will be for the last quarter of the year—how well the collections will be secured—but at the moment the company's earnings are substantially ahead of the good figures of 1922.

ABITIBI READY FOR WINTER

Abitibi Pulp and Paper has 18 winter camps arranged for. There will be three company camps. Camp 37 on the new railway spur between the main line and Lake of Bays; camp 33 on Lightning river; camp 30 in the Abitibi river district. In the same districts there will be a number of contractors; on the railroad there will be seven contractors; in the Lightning river district three, and in the Abitibi river district five. The cut in these camps will be 150,000 cords and an additional 50,000 is to be purchased from settlers.

SHERWIN-WILLIAMS

According to W. S. Fallis, vice-president and managing director of Sherwin-Williams, conditions are extremely favorable for a largely increased activity in the paint and varnish trade this fall. "Selling conditions generally are good throughout the Dominion," says Mr. Fallis, who adds, "Paint prices have come down which helps to relieve resistance and stimulates buying. Crop conditions have been good and with the $500,000,000 harvest in Western Canada and good harvests from coast to coast, the purchasing power of the Canadian people will be high this fall."

BANK OF HAMILTON

Shareholders of the Bank of Hamilton have been informed by the heads of the bank as to why the merger with the Bank of Commerce was undertaken. Reduced business, shrinking profits and the impossibility to reduce overhead expenses are the main reasons advanced. Taxes of various kinds, they say reached a point where they were a burden on reduced earnings. They point to the fact that, after a thorough investigation, the directors of the Canadian Bank of Commerce have ratified the bargain for an exchange of share for share as sufficient comment on the sound position of the Bank of Hamilton, but add that they have felt for some time that conditions are not promising.

REVIVE DOMINION SAVINGS

The temporary injunction restraining the Huron & Erie Mortgage Corporation, manager of the assets of the Dominion Savings & Investment Society, from selling the stock of the Northern Life, which they hold as security for certain loans made by the Dominion Savings, has been enlarged. Now T. H. Purdom, former president of the Dominion Savings & Investment Society, is seeking power to call a shareholders' meeting, his avowed aim being to get the Dominion Savings operating once more with possession of all assets above those necessary to liquidate claims of depositors and debenture holders which were looked after by the Huron & Erie Mortgage Corporation acting for a body of trust and loan companies.

The Dominion Savings now has no license to operate, and to call the meeting of shareholders Mr. Purdom must get an order from the court.

GOODYEAR TIRE

Goodyear Tire earnings should approximate double the requirements for yearly dividends, according to a statement sent shareholders with the dividend cheques. The statement adds that the net sales will show, in dollars and cents, an increase over last year, and in units a very material increase. The company has no fixed or bank indebtedness. It discounts all its bills. "We will soon be entering the winter months, when it will be necessary to accumulate large stocks of manufactured goods to provide for spring deliveries. This necessitates the tying up, over a period of five or six months, of a large sum of money. For this reason, and owing to disturbed financial conditions of the country, your board of directors are of the opinion that they are serving you best in not paying a deferred dividend at this time." Cash on hand totals $400,000; reserves, $1,700,000, and surplus above dividends, $1,500,000.

MONEY WELL EMPLOYED

While a larger percentage of its resources are being employed in Eastern Canada than in past years, the Canada Landed and National Investment Company is experiencing no difficulty in getting the larger funds available for these Eastern investments profitably employed. The interest rate being secured of course is somewhat lower than has been the rule on Western business. On the other hand, collections this year are said to be in very good shape. Indeed, at the moment, all things point to at least as good a year as last, and perhaps somewhat better. Of course last year's statement was disappointing from a comparative standpoint, but it was made to appear so because in war years profit secured as a result of favorable exchange had been taken in among the year's profits, rather than being shown—as was the case in a number of companies—as a special thing which could not be counted upon year after year.

MAPLE LEAF MILLING

Maple Leaf Milling mills are all going at capacity, according to the new general manager, D. A. Campbell. He believes the depression which has surrounded the industry is at an end.

Export business is better than it has been for some time and orders are being booked on a much more profitable basis. European countries are again looking to Canada to supply them with flour. Millers abroad were blending their flour with other commodities and the high quality of the Canadian product is now appreciated, with the result that there is an increased demand for flour from the dominion.

The decline in Maple Leaf Milling seems to have been arrested. The stock is now holding fairly firm around 40. The failure to make a distribution to the common shareholders along with the regular preferred dividends caused the latest decline. The stock had been on a 12 per cent. basis. It was reduced to 8 in April of last year.

UNION BANK

Union Bank stock has held firm since September 20 at 107. It is evident that the heads of the bank have been beseiged by shareholders for a reason for the continued decline in the market price of the shares. So that all might receive the information a circular has been sent out over the signature of President W. R. Allan and General Manager J. W. Hamilton in which they state that so far as the actual value of the stock is concerned, there has been marked improvement in the bank's affairs since the circular of June 21 and there is nothing to worry about on that score. The present market for bank shares is limited they say owing to the uneasiness arising out of the recent suspension of the Home Bank of Canada. Union Bank stock is paying 8%. Its capital and rest is $9,750,000, and they add we know of no reason for your selling your shares now, unless you are in absolute need of the money. The present directors of the bank hold amongst them over 9,500 shares, all of which were purchased at considerably higher prices than those now ruling, and none of them intend to dispose of any of their shares.

UNITED CIGAR STORES POSITION

The apparent reorganization going on in the tobacco field grows out of negotiations made a year or two ago when it was practically determined to bring the United Cigar Stores and the Service Cigar Stores under the one management. The arrangement contemplated at this time was that the Service Cigar Stores turn in all their assets to the United Cigar Stores and receive for these $1,000,000 of stock in the United Cigar Company, or a one-third interest. Since, further negotiations have been entered upon to the end of bringing about the merger of the Service Cigar Stores and the United Cigar Stores, but leaving out Tamblyn's, Limited, the chain of Toronto drug stores which is owned by the United Cigar Stores. To effect this, therefore, a new company—Tobacco's Holding Company, Limited,—has been formed. This will hold the stock of the Tamblyn's Cigar Company, and it will also hold the stock of another company—the United Cigar Stores,—with this United Cigar Stores the Service Cigar Stores will merge, turning in all their assets and receiving a one-third interest in this United Cigar Store Company.

WAYAGAMACK

According to the French language bulletin of the house of Rene T. Leclerc, Inc., Wayagamack is operating at full capacity. The results to date this year have been most satisfactory and the outlook is very favorable. The management is not finding any difficulty in marketing its products at a good price. "This company," says the bulletin, "possesses some of the richest forest reserves. These have a superficial area of 2,055 square miles divided into three groups. Riviere St. Maurice river, 1,121 sq. miles; Portneuf, 484 sq. miles; York river, 451 sq. miles. The Financial Service states, regarding Wayagamack:

"The company successfully meets Scandinavian competition, which is such a difficult thing for other corporations to do, by the superior quality of its products which enable it to demand better prices than those secured by its competitors. The company has been operating at capacity all year and with the advancing prices has been making its products at a profit. Whilst it is impossible to quote figures at present, the shareholders will be well satisfied when the next annual statement is made public, as steady improvement in all features of the balance sheet and earnings may be confidently expected. The company's securities have not been active of late, the 6 per cent. bonds are now selling around 78½, which is on an 8 per cent. basis; a high yield for this class of bond; the common stock sold recently in broken lots on the Montreal Stock Exchange at 41, this compares with 150¼ in October, 1920, which is the high for the issue."

INDUSTRIES WERE ACTIVE GROUP OF WEEK'S TRADING

Markets Held Quite Firm With Fair Volume of Trading

The feature of the week's trading on the Canadian stock markets was the activity in industrials. The greatest attention paid in some time was accorded these issues. Some fair gains were recorded, while losses were fractional. The trading has been by no means heavy, but there has been a firm feeling in evidence for a greater part of the week. The paper group has been quiet. Tractions and utilities quietened down somewhat but still maintained a fair share of attention. The milling group got some attention, as did also the textiles. Bank shares were weak. Only one stock showed an advance, a fractional one. Declines were quite general, reaching to nearly half the shares traded in.

The figures:

Group	Total	Gain	Loss	Unchd.
Paper	10	1	3	6
Industrials..	23	6	8	9
Specialties .	8	2	0	6
Traction ...	7	2	3	2
Utilities ..	12	3	5	4
Milling	5	2	0	3
Steel	4	1	0	3
Textiles ...	8	2	2	4
Banks	12	1	5	6
	89	20	26	43

TORONTO. — General industrials were the active group of the week, although several special issues in other groups figured in nearly every day's trading. Maple Leaf Milling was one of these. Canada Bread was in demand, while towards the end of the week British Empire Steel issues staged an interesting recovery. The market has been firm at a time when many predicted that it would be weak and neglected because of the focusing of attention on the big Dominion loan. Bank shares were fairly heavily traded in.

Canada's Trade With U. K. Increases $100,000,000

Canada's trade with the United Kingdom showed a material increase for the twelve-month period ending August, 1923. The Dominion purchased about $30,000,000 more goods and sold close to $70,000,000, or a total trade increase of nearly $100,000,000.

Fibres and textiles, iron and products, non-metallic minerals, were responsible for the increase on the goods purchased in London. Agricultural and vegetable products were responsible for 50 per cent. of the increase in the U. K. buying from Canada. Iron and products, and non-ferrous metals were much higher.

CONTINENTAL PRODUCTS

The Continental Wood Products Co., of Elsas, Ont., have 600 men in the woods at the present time, and will erect at Elsas a very large kraft pulp mill. Herman Elsas, president of the company, and the chief engineer of the organization, are now abroad getting all available data on equipment.

UNLISTED SECURITIES

	Bid	Ask
Alta Pac. Grain 7% pfd.	90	93
Do., com	100	107
British American Assur. ..	6.00	7.00
Can. Assoc. Goldfields	7	11
Canada Mortgage	65	..
Can. Westinghouse 8% c. .	130	..
Continental Life	108	..
Commercial Finance pfd. 25% bonus com.	60	68
Canada Machinery, pfd. ..	..	40
Canadian Marconi Wireless	1.25	1.60
Cockshutt Plow 7% pfd. ..	42	43½
Canadian Oil Co., pfd. ..	90	95
Do., com.	..	44
Collingwood shpbld. com.	50	..
Cosgrave Breweries	5	6
Dom. Power & Trans., pfd.	95	..
Do., com.	39	42
Dunlop Tire 7% pfd.	82	86
Durant Motors of Canada	..	6
Dominion Mfg. pf.	58	..
Dominion Linens, pfd.	69	74
Do., com.	..	50
Dom. Sewer Pipe com. ..	..	32
English Electric, pf.	..	60
Do., com.	..	13
Excelsior Life	31.50	..
Farmers Dairy	51.00	..
Famous Players, 7% pf., 50% com.	..	74
Gunns, Limited, 6% pfd. ..	..	33
Great West Life	214	..
Imperial Tobacco, com. ..	5½	7
Inter Milling Co., pfd. ..	95	98
K. & S. Tire 7% pfd.	25	30
La Paz Oil	..	50c
Lambton Golf Club	425	475
Loew's Toronto, pf.	54	60
Do., com.	33	36
Loew's London, pfd.	5.50	6.25
Do., com.	1.75	2.25
Loew's Buffalo, pfd.	54	..
Do., com.	1.00	1.50
London Loan & Savings ..	46	51
Massey-Harris Co.	40	45
Manufacturers' Life 20% p.	55	..
N. Mexico Pwr. & Dev., c.	9	12
National Brick, pfd.	52	54
Do., com.	13	15
National Life $25 paid ..	50.25	..
N. Can. Pwr com.	50	65
Ont. Equit. Life (25+$10 paid)	..	25
Peoples Loan & Sav. Co.	..	63
Pantages, Hamilton 7% pf.	33	..
Do., com.	1	2
Robertson P. L. Co.	15	25
Rolph Clark Stone, com. ..	15	..
Simpson, Robt. 6% pfd. ..	91	92½
Sovereign Life	18	..
Standard Clay Prod., com.	13	..
Sun Life Assurance	140	..
Toronto Brick Co., pfd. ..	75	..
Trust & Guarantee	73	76
Tiger Tire (1 pfd., 2 com.)	..	20
Western Grocers 7% pfd.	..	44
Mortgage Discount Units .	8	11
Western Assurance	7	7½
Crown Life	94	..
Canada Machinery, com. ..	6	9
Hayden Gold Mines	40	60
Imperial Oil	95	100
Loew's Ottawa, com.	90	..
Mikado Cons. Mines	05	08
Southern Can. Pwr, com. ..	44	46
Sterling Bank	89½	92
Do., com.	1½	2½

Larger Subscriptions To New Dominion Loan

The reported subscription of $1,000,000 or over came from many well-known financial institutions. They are:

Sun Life Insurance Co. ..	$10,000,000
Metropolitan Life, N.Y. ..	5,000,000
Bank of Montreal	5,000,000
Bank of Commerce	5,000,000
Prudential Life, N.Y.	2,500,000
Travelers Ins. Co., Conn. ..	2,500,000
Bank of Nova Scotia	2,500,000
Canadian Pacific Railway ..	2,000,000
Canada Life Asurance Co...	2,000,000
Mutual Life of Canada	2,000,000
Dominion Bank	1,750,000
Banque Provinciale	2,000,000
Mont. City and Dist. Bank ..	1,350,000
Imperial Life Ass. Co.	1,250,000
National Trust Co.	1,250,000
Bank of Toronto	1,000,000
T. Eaton Co., Ltd.	1,000,000
Eastern Trust Co.	1,000,000
London Life Co.	1,000,000
Dominion Textile Co.	1,000,000
Montreal Cottons, Ltd.	1,000,000
Royal Trust Co.	1,000,000
Standard Bank	1,000,000
Total	$54,100,000

TRAIN IMMIGRANTS

Sir Alfred Mond Would Establish Short Courses in Canada

The bringing out to Canada of young Englishmen to go on the land, and the giving of a preliminary agricultural training on their arrival on this side of the Atlantic, was the suggestion made by Sir Alfred Mond to the Empire Club of Toronto. The speaker also declared in favor of settling the newcomers in communities. His opinion was that in this way the best results would be obtained. Empire Development was his subject.

B. C. ELECTRIC

The July earnings statement of the British Columbia Electric Railway Co. shows gross amounting to $851,843 compared with $834,772 for the same month in 1922, an increase of $17,071. Working expenses, maintenance, etc., at $599,348 were lower by $12,765 and net at $252,495, increased by $29,836.

PUELICHER PRAISES CAPITALIST SYSTEM

American Bankers' Association Head Praises Federal System and Condemns Radicals

ATLANTIC CITY.—J. H. Puelicher, president of the American Bankers' Association, in his annual address before the bankers attending the fifty-ninth convention of the association, said that there was a great need of a better economic understanding among bankers as well as others. Mr. Puelicher made a vigorous assault on the various schools of radiacals and praised the capitalistic system as having "brought to all the people more comfort and greater leisure than has any other system thus far tried."

"We have a responsibility also concerning public opinion regarding the gold standard. The economic existence of a nation is dependent upon its medium of exchange. The degree of stability of that medium determines the degree of that nation's continued well-being and progress; and because so much of the superstructure of any economic condition is based upon the character of money used, there are those who bewail money as the root of all maladjustments in any economic society. They, therefore, seek continuous experiments with it or its entire abolition.

"History repeats itself and is doing so at the present time in the advocacy of fiat money, based on commodities, labor hours or land. It would seem that the disasters which printing huge quantities of paper money has brought to Russia and Germany would have served as a warning to those in this country desiring to overthrow the gold standard. It would seem that the confusion of minds in Russia would not have spread to this country. Confusion in monetary standards can do more to hinder production and thereby check the increase of wealth than can almost any other method known to man. People will cease to produce unless they receive a safe return. Bankers advocate thrift. Thrift is a worthy endeavor in a country of stable currency, but a changing currency, as we have abundant evidence in past and present day history, 'makes a mockery of thrift'."

INVESTMENTS
NESBITT, THOMSON & COMPANY, LIMITED
Favorable Prospects for 1923

Current Events in investment circles

Our Monthly Investment Bulletin condenses the latest happenings in the investment world in a few pages. Analyzes conditions of leading companies, gives quotations of representative Canadian issues.

Worth fyling for reference and for checking the trend of your investments.

Let us put your name on our mailing list.

NESBITT, THOMSON
and Company, Limited
305-7 Bank of Hamilton Bldg.
TORONTO
Montreal Hamilton
London, Ont. Winnipeg 275

Gross earnings of the Canadian Pacific Railway for the week ending Sept. 30, amounting to $6,365,000, showed an increase of $54,000 over the corresponding period last year. From Jan. 1, to Sept. 30, the earnings totalled $126,140,000, or an increase of $5,176,000.

The Spanish River Pulp and Paper Mills
LIMITED

ANNUAL REPORT

DIRECTORS

Geo. H. Mead P. B. Wilson T. Watson Sime Thomas Gibson G. R. Gray C. B. Read T. H. Watson

OFFICERS

President	Geo. H. Mead	Secretary	J. G. Gibson
Vice-President	P. B. Wilson	Treasurer	A. H. Chitty
Vice-President	Thomas Gibson	General Manager of Manufacturing	C. H. L. Jones
		General Manager of Woods	G. R. Gray

The following Annual Report of the Company was unanimously approved by the Shareholders Sept. 28th, 1923:

TO THE SHAREHOLDERS OF
THE SPANISH RIVER PULP & PAPER MILLS, LIMITED.

Your Directors submit the following report of the operations of The Spanish River Pulp and Paper Mills, Limited, including Lake Superior Paper Company, Limited, for the year ending June 30th, 1923:—

SUMMARY OF INCOME ACCOUNT

Gross Profits for the Year..................	$4,008,155
Less: Reserve for Depreciation	736,560
	$3,271,595
Less: Interest on Funded Debts and Other Loans	888,178
	$2,383,417
Less: Appropriation for Contingencies and Government Taxes	200,000
Net Profits for the Year	$2,183,417
Add Surplus as at 30th June, 1922..........	2,446,892
	$4,630,309

APPROPRIATED AS FOLLOWS:

Dividends at 7% per annum on Preferred Stock	$603,365	
Dividends at 7% per annum on Common Stock	661,290	
Proportion of Dividend paid to Bondholders	140,517	
		1,405,172
		$3,225,137
Add Bond Sinking Fund Reserve as at 30th June, 1922		1,259,863
Surplus as at 30th June, 1923..............		$4,485,000

The above profits reflect continuous operation of the Company's plants throughout the last fiscal year. A number of improvements were made during the period, which, with other refinements in mill practice, will result in increasing the daily average production of newsprint from 650 tons to 700 tons.

The amount set aside in previous years for Bond Sinking Fund being no longer required, the credit has been transferred to Surplus Account, which now stands at $4,485,000.

Your Directors desire to express their appreciation of the co-operation existing between the officers and employees of the Company in all Departments which has resulted in such satisfactory operations.

Toronto, Ontario, 30th August, 1923.

By Order of the Board,
GEO. H. MEAD,
President.

THE SPANISH RIVER PULP AND PAPER MILLS, LIMITED LAKE SUPERIOR PAPER COMPANY, LIMITED

CONSOLIDATED BALANCE SHEET AS AT 30th JUNE, 1923.

ASSETS

PROPERTY ACCOUNT—		
As at 1st July, 1922........	$30,752,424.54	
Net Additions for Year....	281,948.58	
		$31,034,373.12
INVESTMENTS AT COST..............		538,875.00
CURRENT ASSETS—		
Pulpwood	$ 5,612,102.26	
Woods Equipment, Stores and Mill Stores	2,023,403.39	
Mill Products	387,464.33	
Accounts Receivable Less Doubtful Debts	2,277,683.52	
Companies' Securities Purchased and Held	421,478.89	
Cash in Banks and on Hand	413,890.05	
		11,136,022.44
DEFERRED CHARGES—		
Insurance Premiums and Other Payments in Advance	$ 97,571.76	
Discount and Expenses on General Mortgage Bonds, less proportion written off	269,643.89	
		367,215.65
		$43,076,486.21

LIABILITIES

CAPITAL STOCK—	Authorized	Issued
Authorized—Common. .	$10,000,000.00	$ 9,447,000.00
Preferred 7% Cumulative Participating . . .	10,000,000.00	8,619,500.00
	$20,000,000.00	$18,066,500.00
BONDED INDEBTEDNESS—		
1st Mortgage 6% Bonds Authorized and Issued	$ 9,000,000.00	
Less: Redeemed and Cancelled	1,394,406.63	
		$ 7,605,593.37
6% Serial Mortgage Lien Notes Authorized and Issued	$ 3,500,000.00	
Less: Redeemed and Cancelled	2,032,000.00	
		1,468,000.00
General Mortgage Bonds Authorized, $20,000,000.00—Series "A" 8% Bonds Authorized and Issued.........		3,000,000.00
		$12,073,593.37
CURRENT LIABILITIES—		
Loans from Bank (secured)...........		$ 1,000,000.00
Accounts and Bills Payable, including Government Taxes		1,991,504.63
Accrued Interest on Bonds and Notes		252,733.32
Dividends Declared (Paid 16th July, 1923)		386,422.37
		$ 3,630,660.32
RESERVES—		
Depreciation		$ 3,719,424.66
General		1,101,307.79
		$ 4,820,732.45
SURPLUS—		
Balance at Credit of Profit and Loss Account as at 30th June, 1922........		$ 2,446,892.36
Add: Net Profit for the year..........		2,183,417.17
		$ 4,630,309.53
Less: Dividends Appropriated		1,405,172.24
		$ 3,225,137.29
Add: Bond Sinking Fund as at 30th June, 1922		1,259,862.78
Surplus as at 30th June, 1923.........		$ 4,485,000.07
CONTINGENT LIABILITIES..$67,437.00		
		$43,076,486.21

We have audited the books and accounts of The Spanish River Pulp & Paper Mills, Limited, and of its subsidiary, the Lake Superior Paper Company, Limited, for the year ending 30th June, 1923, and certify that the above Consolidated Balance Sheet is properly drawn up and shows a true and correct view of the state of the combined Companies' affairs and the results of the operations for the year as shown by the books and according to the best of our knowledge and the explanations given us.

All our requirements as Auditors have been complied with.

30th August, 1923.

PRICE, WATERHOUSE & COMPANY,
Chartered Accountants.

BORN and BRED!

An Owner has only got to contemplate the thousand-fold details of a building operation to realize the value of organization in handling them — not merely organization expressed in units, but organization expressed in the co-ordinated activities of men literally born and bred in the building business!

THOMPSON-STARRETT
Company, Limited
Building Construction

1923
VICTORIES

Holders of 1923 Victory Bonds may exchange into the new 5% bonds due 1928 and 1943. As the maturing bonds carry interest to November 1, 1923, and the new bonds bear interest from October 15, 1923, the holders will thus receive a bonus of 15 days' interest, equivalent to ¼ of 1%, if conversion privilege is exercised.

For each $100 bond so exchanged there will be a cash difference, in favour of the holder, of $1 per $100 on the 1928 maturity; and $1.75 per $100 on the 1943 maturity.

We particularly invite holders of small amounts to utilize our facilities for the conversion of their 1923 bonds.

Dickinson & Walbank
Members Montreal Stock Exchange
152 St. James Street, Montreal
Main 4090-4093.
T. Kelly Dickinson, J. Y. K. Walbank,
W. McLea Walbank.

Let
Collateral Certificates
Protect You

The matter of business failures is of grave importance to you; more so, is the means of ensuring freedom from the losses entailed.

Write for booklet,
"Lessening Credit Losses."

MERCANTILE BONDS LIMITED
Temple Building
BRANTFORD, ONT.

UNLISTED STOCKS

Will Buy
25 Loew's Buffalo Pfd.
100 Loew's Buffalo Com.
50 Loew's Windsor Pfd.
50 Loew's London, com.
100 Loew's London Pfd.
10,000 Can. Assoc. Goldfields.

Will Sell
100 Cosgrave Brewery.
25 K. & S. Pfd.
50 K. & S. Com.
3,000 K. & S. 7% Bonds.
25,000 Can. Assoc. Goldfields.

Accurate quotations maintained on all Government, Municipal and Corporation Bonds.

Continental Bond
Corporation, Limited
302 BAY STREET, TORONTO
Adel. 3176-7

THIS BOND
Yields 8%

The issue is a First Mortgage on property and real estate valued at $1,799,000. This is equal to over seven times the amount of the issue. Earnings are at the rate of four times total interest charges. The security, therefore, is ample. In addition, the Principal, the Interest and the annual Sinking Fund are guaranteed. Payable in New York and Montreal.

Why not obtain full particulars to-day?

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Dominion Bank Bldg., King and Yonge Streets
TORONTO
Government, Municipal
Canadian National
Ry. Bonds
Bond Quotations on request.

CANADIAN CAPITAL TO BUILD WEST'S STRAW PULP MILL

Initial Unit Will Turn Out Fifty Tons of Pulp a Day

From Our Own Correspondent.

MONTREAL.—Plans to give Western Canada an entirely new industry that may ultimately add many millions a year to the income of the citizens of the prairies have proceeded to such a stage that it can now be definitely stated that before next year's crop is harvested a mill to manufacture pulp from straw will be in full operation in the West. Only unforeseen difficulties will stand in the way of the development.

The preliminary investigations of Sir Frederick Becker, who has been looking into the possibilities of establishing the industry in the West, proved fully satisfying, and now M. Dolfus, managing director of Devains Process Limited, of England and France, is in Canada arranging for the construction of a mill. This mill will have an initial daily capacity of 50 tons of pulp, which will require 150 tons of straw; a capacity which will be enlarged, before 1925, it is likely, to 100 tons a day, and more if the first mill proves satisfactory. It will cost between $1,000,000 and $1,250,000 to put up the first unit of the mill. This includes machinery and plant only. Numerous offers have been received from Western interests of free land sites. Cost of raising the capital will also have to be added. This will bring the total cost to about 35 per cent. less, it is stated, than the cost of constructing a wood pulp mill.

The money required will be raised in Canada. This will be in line with the policy of the company to finance its various projects with local capital. The company has obtained local capital for its straw pulp mills in England, France, Belgium, Italy and Spain, and it has also established a mill in Java. There are now twelve operating plants and five under construction in the international chain established by Devains Process Limited, of which Sir Frederick Becker, wealthy English paper operator who has extensive interests in Canada, is president, and Mr. Dolfus, managing director.

Speaking to THE FINANCIAL POST, Mr. Dolfus stated that about two tons of traw can be had from each acre of land raising grain. It does not require much figuring, therefore, to indicate that if, eventually, only ten per cent. of the straw in Western Canada, that is now burned or otherwise destroyed, were used for the manufacture of paper, that more than $120,000,000 annually would be added to the revenue of the West.

Timmins' Paper Mill May Buy Nipigon

From Our Own Correspondent.

MONTREAL.—The Guaranty Investment Corporation of Montreal, which is a company controlled by Noah H. Timmins, the president of the Hollinger Mine, is negotiating for the purchase of the pulp mill near Port Arthur formerly owned by the Nipigon Pulp & Fibre Co. It is understood that the pulp mill is to become a subsidiary for the St. Lawrence Paper Mills, which recently began to produce newsprint paper at Three Rivers, Que.

The Nipigon mill was built at a cost of more than half a million dollars, and commenced operations in May, 1921. In October, 1921, it ceased operations and the property was taken over in liquidation. The creditors are negotiating for its sale.

F. I. D. Benjamin Replies To Personal Attacks

From Our Own Correspondent.

MONTREAL. — Personal attacks upon Frank J. D. Barnjum, who is leading the fight for the embargo on pulpwood export, by writers who have impugned his motives in pressing for the embargo, have brought a characteristic reply from that gentleman. Mr. Barnjum declares that he can in no way benefit from the embargo. His own holdings of pulpwood lands are far too large for the small pulp mill in which he is interested, and the embargo will cut off a possible market for his saleable surplus of pulpwood.

He makes the interesting statement that some years ago he divided half of his personal fortune among the members of his family and dedicated the remaining half to the work of forest

POWELL RIVER

The Powell River Company, large British Columbia pulp and paper concern, announces a new construction programme, which will be undertaken immediately. Twenty-six houses, to cost $100,000, will be erected for accommodation of employees of the company. In addition to the above, improvements to the plant will be undertaken, at a cost of about $13,000.

TWIN CITY

Total operating income of the Twin City Rapid Transit Company for the month of August amounting to $1,037,355 compared with $1,067,514 for the same month in 1922, a decrease of $30,159. Operating expenses and taxes amounted to $881,054, while net income for the month at $70,684 compared with $45,821, an increase of $24,863.

BARCELONA TRACTION

The August earnings statement of the Barcelona Traction, Light and Power Co. shows gross amounting to 3,826,083 pesetas compared with 3,599,169 pesetas for the same month in 1922, an increase of 226,914. Net earnings for the month amounting to 2,234,243 compared with 1,860,456 for July and 2,197,335 pesetas for August a year ago, or an increase of 36,908 pesetas.

Handle Durant Export From Canadian Plants

Durant Motors of Canada is negotiating with the heads of the company in the United States for permission to handle the export trade to various parts of the British Empire from its Canadian plant at Toronto. It is also proposed to undertake the manufacture of two new models, Flint and Eagle, after the first of the year. R. H. Mulch, general manager, states that on Aug. 31 assets stood at $3,944,000 and liabilities $454,000 less. For the year ending July 31 he says $6,175,000 worth of cars were sold, 7,136 Stars and 1,878 Durants. The Star sales were restricted to 10 months.

Workmen's Compensation Measure to be Changed

Changes in the administration of the Workmen's Compensation Act of Ontario are forecast by Dr. Forbes Godfrey, new minister of labor. It is intimated that the most important revision will be in regard to the lump sum basis of settlement. It is contended that experience has shown that when the injured man has exhausted the money thus paid him, he becomes a charge again upon the community. Dr. Godfrey says that he will study each case, see that there is proper medical or surgical treatment, and if the disability cannot be corrected, he believes that a pension lasting during the period of the victim's lifetime should be granted.

JOINS CANADA PERMANENT BOARD

Norman Mackenzie, K.C., of Regina, Sask., senior member of the legal firm of Mackenzie, Thom, Barledo & Jackson, has been elected a member of the board of directors of the Canada Permanent Mortgage Corporation. He fills the vacancy caused by the death of John Massey.

NATIONAL RAILWAY

Gross earnings of the Canadian National Railways for the week ending Sept. 21, were $5,092,806, being a decrease of $224,325 as compared with the corresponding week of 1922. Gross earnings from January 1, to September 21, have been $174,303,276 being an increase of $17,273,346 as compared with the corresponding period of 1922.

PROFITS OF LAKE OF WOODS HIGHER

Company Retired Bonds and Reduced Good Will During Year

Lake of the Woods Milling profits showed an advance for the past year as compared with the previous year, the figures being, 1923, $732,318; 1922, $713,087. The 1921 total was $762,073. The 1923 figures equal 16.7% on the common stock.

During the year the bond issue which matured, $900,000 of 6%, were retired. This leaves only the $1,500,000, 7% preferred and the common stock. Another change in the statement was a cut of $50,000 in good will to $250,000. Depreciation for the year was fixed at $66,500. This left a balance of $665,818 as compared with $644,587. Interest on the funded debt to the date of its maturity, June 1, 1923, amounted to only $40,500, as compared with the full year's requirement for bond interest of $54,000 in 1922. This deduction with the usual $105,000 preferred dividend requirement left a balance of $520,318 available for distribution among the holders of the common shares, as compared with $485,587 the previous year. Deduction of common stock dividend of $420,000 and the writing off of $50,000 from good-will account left a surplus for the year of $50,318, as compared with $15,587. This, with the application of the previous surplus, brings to the credit of profit and loss a total surplus of $1,328,773.

The redemption of the bonds of necessity lowered the working capital. Current liabilities are small, accounts payable $812,818. This is offset by cash on hand, $945,896, which compares with $1,536,078. Accounts receivable are $2,058,062, as compared with $2,239,597, while inventories are up from $1,268,060 to $1,440,238.

In reviewing the past year, Brig.-Gen. F. S. Meighen, the president, pointed out that competition had been exceedingly keen with much cutting of prices, but the Company had been able to hold its trade and maintain production. A hopeful feature was that export trade had revived very considerably recently.

	1923	1922
Current assets:—		
Cash on Hand	$ 945,896.94	$1,536,079
Investments	....	155,902
Accts. Receiv'ble	2,058,062.36	2,239,580
Inventories	1,440,238.44	1,268,060
Total	$4,444,197.74	$5,199,621
Current Liabilities:	1923	1922
Acc'd. Int. on Bond.	....	13,500
Accts. Payable	812,818.37	663,269
Contingent Reserve	500,000.00	593,913
(Incl. prov. for Taxes).	$1,312,818.37	$1,270,682
The Working Capital position:—	1923	1922
Current Assets	$4,444,197.74	$5,199,621
Current Liabs.	1,312,818.37	1,270,682
Working Capital	$3,131,379.37	$3,928,939

STOCK MOVEMENTS OF THE WEEK

Week Ending Oct. 2

	Div. Rate	Ask	Bid	High	Low	Close	Sales
Banks—							
Commerce	12	190	188¾	194	189⅜	190	319
Dominion	12	185	184½	187	184½	185	84
Hamilton	12	184¾	—	187	185	185	207
Hochelaga	10	145	—	146	144	144	68
Imperial	12	178	—	179	178	178	60
Molsons	12	—	157	162	158½	159¼	44
Montreal	12	232	—	231½	229	229	160
Nova Scotia	16	254	253	254	253	253½	85
Royal	12	—	218	219	218	218	276
Standard	12	—	170	170½	170	170	195
Toronto	12	182	180	180	180	180	70
Union	8	—	107	107	107	107	317
Industrials, Utilities, Etc.—							
Abitibi, com.	4	63	61¾	62	61	62	630
Do., pref.	7	—	98	100	100	100	100
Amer. Salesbook, com.	4	40	39½	40	39	39	181
Asbestos Corp., com.	6	—	44	45	45	45	5
Atlantic Sugar, com.	—	—	16¾	18	17	17	748
Barcelona Traction	—	17¼	16½	17	15½	17	100
Bell Telephone	8	123½	123	123½	122⅝	123	460
B. C. Fishing	—	16	—	15	15	15	75
Brazilian Traction	4	42½	42	42¾	42	42¼	830
B. E. Steel, com.	—	6½	6⅛	7	5	6	1230
Do., 1st. pref.	7	60¾	60	60⅞	58½	60½	1490
Do., 2nd pref.	—	19½	18¾	19½	15¾	19	4573
Brompton Pulp	—	41½	41	41½	39¾	40¾	944
Burt, F. N., com.	10	130	126	126	126	126	40
Canada Bread, com.	—	62	60	62	54	62	380
Do., pref.	7	91½	91	91½	90	91½	92
Can. Car & Foundry, com.	—	—	21¾	24½	22	22¼	65
Do., pref.	—	71¼	—	77¼	71¼	71¼	1239
Canada Cement, com.	6	85	83¾	86	84¼	84½	324
Do., pref.	7	—	102	103¼	103	103¼	101
Canada Steamships, com.	—	14	13	13	12½	13	605
Do., pref.	—	49	47¾	48½	46½	48½	607
Can. Conn. Cotton, pref.	8	84½	—	85½	83	84½	286
Can. Converters	7	90	88½	89½	89	89	15
Can. Cottons, com.	8	—	104	104½	104½	104½	50
Can. General Electric, com.	6	102	100¼	102	99½	100½	554
Do., pref.	7	—	103½	104	104	104	5
Can. Locomotive, com.	4	63	—	63	63	63	45
Can. Pacific Railway	10	147	146½	147	145	146½	88
Canadian Salt	8	109	105	107	107	107	2
Can. Woollens, com.	—	10	—	8½	8½	8½	15
City Dairy, pref.	7	—	100	102	101	101	21
Consumers Gas	10	160	158	160	158	159½	95
Cuban Can. Sugar, com.	—	5½	—	5½	5½	5½	40
Do., pref.	—	29	—	29	29	29	25
Detroit United Rly	6	67¾	66½	68	67	67	181
Dominion Bridge	4	64	63	64	63	63	96
Dominion Glass, com.	7	93	—	93	92½	93	200
Dominion Coal, pref.	7	83	—	82	82	82	5
Dominion Iron, pref.	7	71	68	70½	70	70	15
Dom. Steel Corp., pref.	6	74	—	73½	73½	73½	11
Dominion Radiator, pref.	7	102	97	98	98	98	25
Dom. Textile, com.	4	—	63	63	62½	62½	190
Do., pref.	7	110½	—	110½	110½	110½	35
Duluth Superior	—	40½	39	40½	39½	40½	168
Eastern Theatres, com.	—	—	11	10¼	10¼	10¼	4
Illinois Traction, com.	—	52	51¾	52	51¾	51¾	175
Do., pref.	6	—	90	90½	90	90¼	85
Kaministiquia Power	8	120	—	120	120	120	30
Lake of Woods Milling, com.	12	170	164	165	165	165	60
Laurentide Paper	6	93½	92¾	92¾	92	92½	540
Lyall Construction	—	—	20½	20½	20	20½	85
Macdonald, A.	—	—	5	5	5	5	15
Mackay, com.	7	112	111	112½	110½	111⅛	136
Do., pref.	4	68	66	67¾	67	67¼	186
Maple Leaf Milling, com.	8	41	40	40	40	40	25
Do., pref.	7	79	76	80	64	80	147
Mexican Light, com.	—	23	22	22	22	22	30
Monarch Knitting, pref.	7	—	81	81¾	80	81¾	9
Montreal Cottons, pref.	7	106	—	106	105	106	3
Montreal Light, Heat, Cons.	6	128¼	128	130	126¼	130	1528
National Breweries, com.	4	54	53¾	54⅞	51⅞	53¾	7838
Ottawa Light, Heat	6	81¼	80	82	81¾	82	23
Pacific Burt, com.	6	98½	95	98	98	98	5
Do., pref.	7	—	99	100	99	99	10
Penmans, pref.	6	99¼	—	98½	98⅜	98½	55
Port Hope Sanitary, com.	—	53	50	55	53	53	85
Do., pref.	7	90	—	84	84	84	10
Price Bros.	2	42¼	41	42	42	42	10
Quebec Power, com.	—	70	65	68	67¾	67¾	107
Do., pref.	7	91	—	90	90	90	25
Quebec Railway	—	17	16	17	16	16½	1823
Rogers, Wm., pref.	7	—	85	85	85	85	6
Shawinigan Water & Power	7	—	116	118	116	116½	440
Sherwin Williams, com.	6	109½	105	105	105	105	10
Do., pref.	7	100	99½	100¼	99½	100	61
Spanish River Pulp, com.	7	88¾	88	89	88½	88½	445
Do., pref.	7	100¾	99¾	100½	100	100½	289
Smith, Howard, Paper, com.	6	74	—	72	70	70	39
Do., pref.	8	102	—	101	100	100	10
Steel of Canada, com.	7	69¼	68½	69	68¼	68¾	328
Do., pref.	7	99¼	—	99½	99	99	103
St. Lawrence Flour, com.	6	—	52	53	50¼	53	195
Toronto Railway	—	83	82⅜	84	81¾	82	3332
Tuckett Tobacco, com.	4	50	48	50	50	50	25
Do., pref.	7	89	—	89	89	89	10
Twin City, com.	6	67½	66½	68	66	67¼	452
Wayagamack	—	—	38	41	39½	40	125
Winnipeg Electric, com.	—	31	29	30	28	29	22
Do., pref.	7	85	82	83	83	83	15
Canada Landed	10	74½	74	74¾	74	74½	31
Can. Permanent	12	185	183	185	185	185	38
Hamilton Provident	10	145	144	144	144	144	11
Huron & Erie	7	—	120	121	121	121	25
Ontario Loan	10	—	86	86	85½	85½	107

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12

ENGINEERS HOPE TO INCREASE LIFE OF BESCO MINES

Big Problems in Submarine Coal Mining At Sydney Mines

AVOIDING WASTE

Now Only Forty Per Cent. of The Coal Can Be Taken Out Of The Workings

From Our Own Correspondent

MONTREAL.—Engineers of the British Empire Steel Corporation are continuously working on the problem of prolonging the possible life of the coal mines of the company in Nova Scotia. As is generally known, coal mining in Nova Scotia is now having the tendency to develop into submarine mining, for 70 per cent. of the recoverable coal in Nova Scotia is located under the sea, although to date the coal has chiefly been mined in the land area.

No one knows yet how far under the sea it will be possible to mine coal. The chief limiting factor will be the cost of production, and before assurance can be had of coal mining under the sea for great distances from land problems of transporting the coal to the pit heads will have to be solved. At the present time it is possible to mine coal as much as two and a half miles from land.

To-day only about 40 per cent. of the coal in the submarine mines can be utilized as it is necessary to leave 60 per cent. of the seams untouched in order to provide support for the tunnels and workings. The untouched coal remains as a very important reserve supply for the future. Eventually, when the mines have been extended as far out under the sea as transportation methods will permit, it would be feasible to begin mining this coal from the outer end inwards toward the land, allowing the sea to fill in workings after the pillars of coal have been removed. This would be possible because the seams, which range from four to nine feet in thickness, slope upwards towards the land, and the workings would always be a little higher than the sea-water that would rush in.

Considering Newer Systems

Just now some attention is being paid to the possibility of copying a German system of submarine coal mining under which the tunnels and workings from which the coal has been taken are filled up with sand and other silicates. The sand provides support for the rock above and makes it possible to mine a large part of the remaining coal which is now left as support.

But the further out the coal workings go the higher become the costs. The extent to which the cost of production can increase and permit coal mining to be economically possible and profitable depends on the selling price of coal, which, in turn, depends on the relative value of coal. There has been in the past a tendency for prices to increase, and it is to be expected that this tendency will continue in the future. Some of the mines projected by the Dominion Coal Company, subsidiary of the British Empire Steel Corporation will, have an estimated life of over a century. Fifty years from now, the economic limitation set by the selling price of coal will probably be a very different one to that of to-day.

The whole question of submarine mining in the Sydney field is a fascinating one for conjecture and the future will probably see the Sydney coal-field become of world-wide note and interest to engineers because of the inventions and developments that necessity will bring about.

Heavy Duties Paid on Montreal Estates

The province of Quebec benefited in succession duties to the total of $478,000 by the deaths of R. B. Angus and Sir William Van Horne. These were the two largest totals for the fiscal year of 1922-23, the figures being: Angus Estate, $256,043; Van Horne Estate, $222,858.

The figures by districts:

District	1922	1923
Montreal	$ 1,358,034	$ 1,701,721
Quebec	349,963	150,350
Outside Estates . .	421,407	575,893
	$ 2,129,404	$ 2,427,964

Nearly one thousand people paid duties exceeding the $500 mark.

Echo of Scribe Deal; Criticism Still Heard

From Our Own Correspondent.

MONTREAL.—During an address here Sir Henry Drayton, former Canadian minister of finance, brought out that the Canadian Pacific Railway had been offerred the Hotel Scribe in Paris for twenty million francs and had refused it, while the Canadian National Railways had arranged for its purchase in haste for twenty-seven million francs.

Business men are still in the dark as to the names of the syndicate that purchased the Hotel Scribe and leased it to the C. N. R. The only name known is that of Arnovici, who arranged the transaction and is only known as a close friend of Sir Henry Thornton and as a sort of financial advisor to the C. N. R. head.

Criticism is not aimed at the method of holding the property in the name of an outside syndicate and of only leasing it for the National lines. This plan in itself is probably the soundest, as it prevents the tying-up of millions of public money. Objection is taken to the price paid, for whether the money was actually paid by the government or not the lines must pay in the end in a rental high enough to pay the purchase price.

Flour Mill of 1,000 Bbls. Planned for Newfoundland

The erection of a flour mill in Newfoundland is being promoted by Ralph Palmer, a Newfoundlander, but for many years residing in Canada. Associated with him as directors are E. C. Stuckless, of New York, but formerly of Pilley's Island, and Charles B. Jaqua, a New York business man and finance commissioner of the city of Patterson, N. J. Mr. Palmer visited here 18 months ago in connection with the project, and in 1922 the company known as the Newfoundland Milling Company, was incorporated here with a capital of $1,030,000. The building will have an output of 1,000 barrels a day.

PRICE POWER PLANTS NEAR COMPLETION

Chicoutimi and Grande Descharge Developments Proceeding Satisfactorily

From Our Own Correspondent.

MONTREAL.—The hydro-electric plant which Price Brothers and Company are building at Chicoutimi is now nearing completion. The development is situated on the Chicoutimi river about two hundred yards above its confluence with the Saguenay and about a quarter of a mile down stream from the tail race of the Chicoutimi Pulp Company's plant which limited the height to which water could be raised in the forebay. The elevation of the tail water was fixed by the tides in the Saguenay which have a maximum variation of twenty feet at this poiont. The variable head which resulted was one of the interesting features of the design.

The plant is being built to take advantage of the storage dams which the Quebec Streams Commission is building at Lake Kenogami, from which the Chicoutimi river takes its source, and which, it is expected, will increase the minimum flow of the latter to twelve hundred cubic feet per second. The power will be transmitted to Kenogami—ten miles away—where it will be utilized in Price Brothers' pulp and paper mills.

The Quebec Development Company, in which Price Brothers & Co. have a quarter interest and who are undertaking the development of approximately one million horse power on the Saguenay River between Lake St. John and Kenogami, have made excellent progress since permission was received from the Quebec government last December to commence this work.

MUST MAKE METAL INDUSTRY BASIC ONE

Iron Ore and Coal Deposits of Dominion Will Have to be Developed

"The metal industry in Canada will never be one which will be really great unless it is made basic. That means the development of the iron ore and coal deposits, and that is the work of the government. There will be plenty of capital to develop the resources when they are once located. Never until then will Canada be a factor in the international machinery and metal product markets." This is the view expressed by J. H. Watson, president, Canada Machinery Corporation. He has just returned from a trip abroad, and found anything but a promising trade outlook in England, which, he said, was in excellent condition to compete with any country in all of the world's markets. She has been able to adjust her labor problems, and the working men are now receiving wages on a level with the pay of pre-war times. There is no doubt that this is due to the surplus of labor which is available in that country now. The number of unemployed is still in excess of 1,000,000. In consequence, men who have a job are very anxious to hold it. I was informed by prominent manufacturers that plant efficiency in England at the present time is almost 100 per cent.

Little Gas Available For Industries Now

Hearings by the Natural Gas Reference Board, with a view to fixing a rate for natural gas in Western Ontario, are to soon start. A preliminary step, a valuation of the Union Gas Co.'s plants, has just been completed. In the past the rate has been based on cost. The longevity of the fields must now be taken into consideration. It is understood that one object the new rate is desired to obtain is to do away with waste. Natural gas in Western Ontario is no longer available for manufacturing purposes to any great extent and it is even passing rapidly as a means of heating. The time when it will be exhausted in the district for practical purposes is said to be distinctly on the horizon.

ST. JOHN DRY DOCK

ST. JOHN.—The formal opening of the dry dock and auxiliary plant at East St. John, N.B., owned by the St. John Dry Dock and Shipbuilding Company, which is controlled largely by Ontario capital, will take place October 29. The lieutenant-governor, and premier of New Brunswick, and mayor of St. John will officiate. The new dock is 1,150 feet in length, and will accommodate two fair sized vessels or one very large vessel. Depth of water is forty-two feet. In addition to the dry dock, which is announced by the company as the largest in the world, there are machine shop, boiler shop, repair works, offices, all in concrete buildings.

BREWERY STOCKS DRAW ATTENTION AS EXPORTS GROW

National and Frontenac Centre of Market Interest

From Our Own Correspondent

MONTREAL.—Many things have served to direct attention of late to the stocks of the brewery companies. Ottawa records that exports of ale and beer grew from 602,405 gallons in the twelve months ended August 31, 1921, to 1,102,557 gallons in 1922, and 2,206,686 gallons in the same period for 1923. The valuation of the exports in the same period rose as follows:

1921	$ 739,574
1922	2,128,455
1923	3,917,945

Home consumption of beer also rose and more pleasant relations were maintained between competing companies. Two provinces—New Brunswick and Manitoba—aligned themselves beside Quebec as opposed to the condition of being "bone dry." And more recently Frontenac breweries added to the public interest by paying off 21 per cent. of its 59 per cent. of preferred stock dividend arrears.

But brewery stocks will always have a somewhat limited market. Possibly some investors would be opposed to the purchase of brewery stocks, and others do not touch them because of a lack of understanding of the business of brewing and marketing beverages.

National Breweries Common

The most important brewing stock from the investment standpoint is National Breweries which has recently had a considerable advance on the market as a result of very favorable reports concerning the year's earnings which may turn out to be the largest on record.

National Breweries is a combination of a number of old-established breweries which market their products under the individual brand names. The common stock has a par value of $25 a share, and the present dividend rate is $4 a share per annum, or 16 per cent. That this rate of dividend is not excessive compared with earnings is indicated from the record of the company's earnings for the past ten years. Net earnings available for bond interest and depreciation and dividends are shown in the following table and also the amount earned on the common stock in each year.

Year	Net Earnings	Earned on Common
1913	$ 689,203	$10.30
1914	493,823	4,11
1915	452,400	2.65
1916	446,002	2.57
1917	417,226	1.47
1918	616,266	10.49
1919	1,061,350*	28.26
1920	976,609	26.57
1921	1,243,221	34.51
1922	1,254,674	34.94

* 14 months, changing fiscal year from Oct. 31, to Dec. 31.

Record of the Stock

The stock market record of the stock since 1919, when it became really active, has been as follows:

	Par Value, $100	
	High	Low
1919	199	15
	Par Value, $25	
	High	Low
1920	69	39½
1921	59⅜	36½
1922	59¾	54½
1923	53¾	46

The present market price is in the neighborhood of 51, representing about 200 per cent. of par value and reducing the yield on the stock to around 8 per cent.

Frontenac Breweries

Another important brewing enterprise is Frontenac Breweries. Its common stock has a par value of $100 a share and is dealt in on the unlisted market, where it has recently moved to 53, a new high level. This move is hardly a surprise to those who recall the showing of this well-managed little enterprise for its last fiscal year, a period in which profits were narrowed considerably by a price cutting campaign on the part of local brewers, despite which a bank loan of $150,000 was eliminated and working capital was nearly doubled, funded debt reduced by about $25,000, and a $77,000 surplus remained after all charges, including a liberal one for depreciation. This year, with a bigger business and better profits the company's funded debt will probably be found down near $1,000,000. There is only $300,000 of preferred, which after the recent declaration of $21 per share, is now in arrears only $28. This will require $84,000, and after that is paid the company will only have to equal last year's record to be earning about ten per cent. on its common stock.

The earnings record of Frontenac in the past two years has been as follows:

PROFIT AND LOSS ACCOUNT

Year ending December 31.

	1922	1921
Net Profits for year	$264,965	*$231,196
Interest Charges	71,675	94,586
Reserves	89,999	109,672
	$103,291	$26,938
Pfd. Dividend (8¾%)	26,250	. . . . . .
Balance	$77,041	$26,938

Profit and Loss Balance, 31 Dec., 1922, was $300,220.

*Subject to Dominion Income Tax.

Our Exports to the U. S. A.

Where is Canadian ale and beer sold, outside of this country? Officially, Canada is not much interested in prohibition enforcement in the United States, and it must be admitted that the biggest market for Canadian beer is that country. During the first three months of the present fiscal year Canada exported 679,905 gallons of beer, and of the total, 654,785 gallons went to the U. S. A.

Sales of the Canadian Western Lumber Co., which includes the Columbia River Lumber Co., for the month of July amounted to 11,093,369 feet, and the price realized $312,934, as compared with 11,192,094 ft., realizing $273,589 for the same month in 1922. The aggregate sales from Jan. 1, to July 31, amounted to 71,631,152 ft. realizing $2,033,173 as compared with 67,681,745 feet realizing $1,549,854 for the corresponding period last year.

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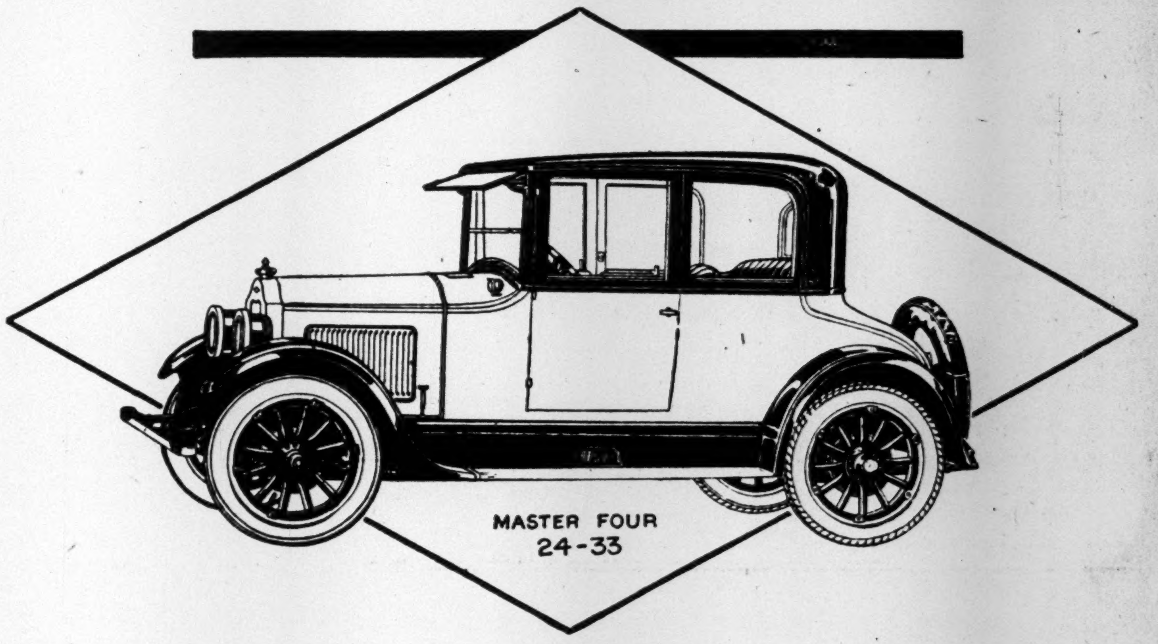
978



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THE unquestionable dependability—the strikingly handsome appearance—and the decidedly low cost of the New 1924 McLaughlin-Buick "Master Four" Four-Passenger Coupe make it the logical choice of business and professional men.

On account of its ease of control—its luxurious finish and appointments, "milady" will find it the ideal car for shopping, while its roominess and generous luggage compartment add to its desirability as a family car.

To the recognized McLaughlin-Buick standards of reliability and performance have been added four-wheel brakes, a new and more beautiful body design and many other improvements. The result is a closed car of a quality and appearance never before obtainable at so moderate a cost.

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there is no secured investment that will make a stronger appeal to the financial world than any one of the several "Life" or "Endowment" policy plans of the Great-West Life Assurance Company.

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Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns

ALLEGE COMMON SHARES WOULD HOLD CONTROL

Preferred Holders Would Only Elect Half the Board

OPPOSE EVANS PLAN

Directors of Great West Permanent and Associated Companies Will Make Effort To Retain Control

From Our Own Correspondent.

WINNIPEG.—Shareholders of the Great West Permanent Loan Company, the Imperial Canadian Trust Company, and the Canada National Fire Insurance Company, met at the behest of the management, very appropriately in their own building, the Marlborough Hotel, which is one of the chief contentions in the battle for stock ownership, which has developed by the counter move to promote "Shareholders Securities, Limited," of whose initiation the complete story has been told in THE FINANCIAL POST. THE POST, in fact, published the information of this new move for stock control before the Winnipeg newspapers reported on the situation.

About 150 shareholders attended the meeting in the Marlborough Hotel lecture room. E. L. Taylor, K. C., vice-president of the Great West Permanent Loan Company, was chairman, and with him on the platform were, J. H. G. Russell, F. H. Alexander, W. J. Boyd, W. T. Alexander, D. E. Sprague, A. D. Carscallen M. D., and E. L. Taylor, all Winnipeg directors of the three companies.

W. T. Alexander, managing director, in a resume of the situation which has developed maintained that none of the three concerns were in difficulties.

He dealt at length with the reduction or writing down of the assets of the Great West Permanent Loan Company by the Dominion superintendent of insurance. Of the $1,000,000 disallowed by the Federal official, Mr. Alexander stated that $750,000 was for the completion of the Marlborough Hotel, an asset which the company still possesses, although he said it has been officially written off. Another item of $250,000 was in regard to Mennonite lands near Swift Current, the proper registration of mortgages on these properties having been obstructed by a lawsuit which lately had been settled, the judge ordering the registration of the mortgages in favor of the Great West Permanent Loan Co. This statement conforms with the statement issued by the Winnipeg directors last week.

A Question of Control

E. L. Taylor, solicitor for the trio of companies dealt chiefly with the promotion of Shareholders Securities, Limited, as to the effect the proposed company would have upon present shareholders in the three affected companies. The circular of the Winnipeg directors makes clear their position in regard to the holding enterprise. This sets forth as follows:

"On the present occasion a former employee of one of our companies heads the movement. This party's connection with our company was terminated after a few months' employment.

"These parties have had the presumption though holding only a few shares in the companies to form a company known as Shareholders Securities, Ltd., and declare their purpose to be to secure control of all our companies by the transfer of the shares of the various shareholders to their company.

"For the transfer of these shares, they propose to give preference shares in the new organization and according to their prospectus, these have no voting power regarding the management of the company and the only privilege they are to possess is to elect one half of the Board of Directors annually.

"No money or assets of any nature are being put into the new company by these promoters. On the contrary, on their prospectus, it is shown that ten thousand shares of common stock will be issued and while there is no statement in the prospectus as to who will possess the common stock, the chief promoter, W. W. Evans, stated at a meeting recently held in the West that the Advisory Board and promoters were to receive this stock, presumably as a bonus for their services. The effort is made to hoodwink our shareholders in regard to the value of these shares of common stock as they state the par value of these shares to be $1 per share. If these promoters had stated the whole truth you would have been informed that, after they get control of your interests, they could write down the value of the assets of our three companies to such an extent that the so-called preference shares would reach a par value of a very nominal amount and that you would be absolutely unable to say one word in protest. The common stock would be in their possession—they would possess all the voting power and our present shareholders would be entirely helpless."

Another Way Out

At the Marlborough Hotel conference Managing Director Alexander said that if the shareholders were dissatisfied with the present management and directorate they would retire and the shareholders might reelect a board of directors of tried business men. This he emphasized would be wiser procedure than to turn over their stock to any holding concern, when he charged they would not only lose control of the management but of their stock. The meeting passed no formal motions prior to adjourning.

DRILL IN MATACHEWAN

Three drilling operations for the Matachewan are proposed. Sterling Development Co., will drill the Davidson; Smith and Travers have a contract to drill British Matachewan. Matachewan General is also to be drilled.

"CAR" PAYS HALF OF PREFERRED ARREARS

Company Starts New Fiscal Year With Six Millions of Orders Booked

From Our Own Correspondent

MONTREAL.—The fiscal year of Canadian Car & Foundry Company ended Sept. 30th, and, according to the president, W. W. Butler, has been entirely satisfactory, showing a marked contrast to the previous twelve months, when operations resulted in a net loss of $568,632. This improved earnings position of the company is the basis of the dividend action of the directors, who declared 7 per cent. on account of cumulative arrears of preferred stock dividends totalling 15¾ per cent.

The company enters the new year with orders amounting to six million dollars on its books, enough to keep the plant busy for the next two or three months. This compares with approximately two million dollars at the beginning of the last fiscal year. There is no new business in sight for the company. The railways placed large orders, but no more are definitely in sight, although it is felt that following the harvesting of the big crop of the West substantial orders will be forthcoming from the railroads for new equipment. A fair business is anticipated for 1924.

If new orders can be obtained it is quite likely that the directors' dividend policy will be to declare the remainder of the arrears and get the preferred stock back on a regular dividend basis by about the middle of 1924. But the new orders will be required to make such a policy advisable.

CANADIAN PACIFIC NOW AHEAD OF 1922

Net Earnings in First Eight Months of the Year Up $30,000

From Our Own Correspondent.

MONTREAL.—Canadian Pacific Railway's net earnings are now slightly ahead of 1922. In August the railway was able to catch up the losses of the earlier months of the year and finished the month with a net gain of $31,036. Gross earnings are greatly in excess of the previous year's gross earnings, and during the first eight months of the year have been higher than in any similar period in the company's history, with two exceptions.

The record is as follows:

August—	1923	1922	Inc.
Gross	$16,417,124	$15,918,049	$499,074
Wk. Ex.	13,300,066	12,971,613	328,452
Net . . .	$3,117,058	$2,946,436	$170,621
Eight Months—			
Gross	$112,940,453	$106,677,243	$6,263,210
Wk. Ex.	98,187,000	91,954,826	6,232,173
Net . .	$14,753,452	$14,722,416	$31,036

Gross and net earnings for each month of the year to date have been as follows:

	Gross	Net
August	$16,417,124	$3,117,058
July	15,677,835	2,070,034
June	14,943,918	2,422,000
May	14,355,538	1,998,247
April	13,651,494	1,950,879
March	13,585,762	1,979,713
February	11,159,864	495,493
January	13,148,914	720,026

FOR GOVERNMENT SUPERVISION TO IMPROVE SYSTEM

(Continued from page 1)

adian banks have an outside audit made of their consolidated balance sheet, but this really means nothing, as it does not reflect the true condition of the individual branches through which the bulk of Canadian banking is done. Reports that come to my desk regarding conditions in the Canadian Northwest indicate that the Western Provinces are in bad shape and they are not alone in this respect, as some of the Western States in this country are in exactly the same condition. This position is no doubt the result of depreciated values of farm products—particularly the small grains. Farmers Paper in the Northwest is slow and will continue to be until some readjustment of price levels affecting the farmers is brought about. Just how this is going to be accomplished, no one seems to know.

In my opinion, some definite loaning limit should be placed on the amount of money any one corporation or concern can borrow from a Canadian bank. As you no doubt know, such a limit is in effect in American banking institutions to-day. Banks in the United States, which belong to the National Association or are members of the Federal Reserve system, are limited according to law to make loans not exceeding an amount equal to ten per cent. of their unimpaired capital and surplus to any one corporation, concern or individual. By this I mean, presuming a bank has a capital of $5,000,000 and a reserve or surplus of a like amount, their limit to any one concern would be $1,000,000. My understanding is that no such law is effective in Canada to-day, with the result that many concerns in Canada are borrowing large amounts, which are altogether out of proportion to the bank's total resources, with the result that should any unforseen condition arise affecting the solvency of such a concern, the bank is carrying what might be termed a doubtful asset and consequently jeopardizing the position of the bank, which, if it happened to be in an aggravated condition, would in turn affect the solvency of the institution itself by impairing its capital and surplus accounts. Canadian banks to a large degree are doing business on the moral responsibility of individuals and are overlooking the necessity of financial statements. Credit should be secured in one of two ways:

1. The financial statement should show a sufficiently liquid condition to warrant unsecured credit (usually a ratio of Quick Assets to Quick Liabilities of two for one), or
2. Loans should be based on collateral of known market value. (Where unlisted stocks or bonds are offered as collateral, such securities should be accompanied by a late financial statement of the corporation and the bank should satisfy itself as the the solidity of such concerns. Generally speaking, the accepting of unlisted stocks or bonds as collateral is a bad banking practice and should be discouraged.

It is about seven years since I left the Canadian bank by which I was formerly employed, and undoubtedly some changes have been effected since then. Therefore, my observations are based upon my experience of some years ago with Canadian banking principles and the present day banking practice of banks in the United States.

Generally speaking, the Canadian branch bank system is admirably suited to Canadian banking needs and, perhaps with a little closer supervision by the Canadian banking department, I believe Canada would be equipped with a banking system second to none and one which would advance the progress of the Dominion.

This letter is given only as a matter of opinion and without prejudice or responsibility on the part of the bank or the writer.

R. K. O'HARA

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Information concerning any of these companies will be gladly furnished on request.
701-5 Bank of Hamilton Bldg., TORONTO

WILL MAINTAIN POOL

Directors of Matachewan Canadian Are to Meet Very Soon

The pool of shares in Matachewan Canadian expires on Nov. 1. Senator Gideon Robertson says it will be renewed. He said that a short time ago he took the matter up with Jos. Quayley, New York, managing director. A directors' meeting is to be held shortly to arrange the matter. Operations have not as yet started on the property. The funds from the sale of shares have not come in as fast as expected. It is the hope of the company to have $100,000 in the company before operations start. In the meantime the $30,000 odd that had to be paid to clean up the purchase of the property has been met and the machinery and equipment taken in has all been paid for.

IRON CLAIMS STAKED

SAULT STE. MARIE.—Geo. McCullough has staked nine iron ore claims in Mississagi forest reserve. The claims are in township No. 23, range No. 14, near the head waters of the Goulais River. McCullough brought with him some good samples of hematite ore.

WILL DIAMOND DRILL

Crown Reserve has started diamond drilling to ascertain the length of No. 1 vein at depth. This is the main ore body and has shown an average value of $9.40 over a width of 9 to 35 feet on the 500-ft. level. It is not likely that any consideration to the matter of a mill will be given until next year.

TECK-HUGHES OUTPUT

Teck-Hughes in September produced $110,600. The first half of the month was $49,400 and the last $61,200. The annual statement of the company is expected any day now. The annual meeting will follow close on.

Mining Stock Quotations

Week Ending October 2.

	High	Low	Close	Sales
Apex	3	—	—	4000
Atlas	6	5¼	5¼	20500
Argonaut	68	59½	65	40300
Baldwin	7½	6¾	7	120000
Beatty	11½	10	10	42900
Beaver	32½	30	31½	40000
Bidgood	7½	6⅞	7½	31000
Buckingham	10	8¾	9	52000
Castle	35	33¼	33½	99500
Ferland	4½	—	—	1000
Chap't. Hughes	5¼	5	5	2500
Coniagas	2.41	2.35	2.40	360
Cons. Smelters	26¼	25½	26	535
C. W. Dome	34	31½	32½	160053
Clifton	21½	18	18	56100
Col. Kirkland	10	9	9	18500
Cn. Reserve	64½	60	63¼	105150
Davidson C. R.	26	25	25	2600
Davidson Ex-R.	6	5	6	3000
Dome Mines	40.50	39.00	39.25	1625
Dome Kirkland	1¾	1⅜	1½	18000
Gold Reef	2½	2¼	2¼	4500
Goldale	54½	50	50	28320
Hattie	15	11½	13¼	69800
Hollinger	12.05	11.66	11.66	4715
Hunton	9	8	8	11500
Inspiration	11	—	—	500
Keora	8	7¼	7⅞	11000
Keeley	1.94	1.85	1.94	2300
Kirkland Lake	42½	40½	40½	16500
La Rose	27	24	24	6000
Lake Shore	3.38	3.33	3.35	8700
Lorraine	21	18¾	19½	151900
Montreal-Ont.	48	46	46	5000
Matach. Gen.	47½	28	28	25500
McIntyre	17.40	16.75	16.75	2355
McKinley	17	15	15½	8000
Mining Corp.	3.15	3.00	3.10	14600
Moneta	19	18½	19	7000
Newray	48¾	45	47¾	30500
Nipissing	5.80	5.45	5.45	1750
Ophir	1½	—	—	2000
Pete. Lake	11	10½	10¾	22500
Por. Crown	12½	10½	11	25400
Preston	13½	12¾	12¾	14700
Sterling Coal	43	41	43	48
Teck Hughes	1.39	1.28	1.35	62500
Timiskaming	36	35	35	4500
T. Krist	7¼	5½	6	62200
Trethewey	4½	4	4	2500
Tough Oakes	65	58	65	168400
Vickers	36	35	35	17200
Vipond Cons.	95	91	93	87100
Wakenda	4	—	—	[illegible]
Wasapika	5	4¾	5	120000
West Tree	8½	7½	7½	21000
Wettlaufer	10¾	10½	10½	14500
W. Hargreaves	2.95	2.90	2.95	400
(New York Prices)				
Int. Nickel. c.	12¼	11¾	12⅛	——
Do., pref.	77¼	77¼	77¼	——

MINING NEWS FOR THE INVESTOR

UPWARD TENDENCY SHOWN BY MANY OF MEDIUM GOLDS

Large Producers Were Almost Neglected; Silvers in Demand

There was a distinct movement upward among many of the moderate-priced mining stocks during the week's trading. Transactions mounted to levels not recorded since around the first of June. So far, the market has held firm, practically all the gains recorded have been well maintained despite heavy profit taking. Mining brokers are predicting that it is just the start of a heavy fall trading.

It is perhaps worthy of note that the three leading gold issues, Dome, McIntyre and Hollinger, did not share in the rise. In fact, if anything, they were inclined to weakness. The interest seems to centre on the new and near producers. The new Tough Oakes stock, which made its bow during the week, led the market in transactions, 168,000. Consolidated West Dome Lake was next in activity and also recorded a substantial gain. Development on the property, which is reported as being highly favorable, along with the report that other interests are after the property, made the issue attractive.

Crown Reserve figures to a total of 105,000 shares. Montreal interests are reported as being the buyers. There was some new interest shown in Thompson Krist when 62,000 shares were taken up, exactly the same amount of trading as there was in Teck-Hughes. Vipond, with 97,000 shares, figured fairly high in the total money involved in the week's trading.

In the silver section, Mining Corporation has been quite active. Castle took the silver leadership. Lorrain was heavily traded in. There seemed to be an effort to get this issue started up, but it failed. Keeley was nine cents higher, while Nipissing suffered a slight decline.

Castle Pref. Shares To Issue at 80 Cents

Castle Trethewey shareholders are to have the right to take up their 10 per cent. allotment of the $200,000 issue of 7 per cent. preferred stock, par value $1, at 80 cents a share. It will be callable at the option of the company at par. Right to subscribe expires Oct. 10.

The funds will erect a mill on the property at a cost of $130,000. The total issue will yield $160,000 and the balance will be employed in putting the property in shape for milling operations. The mill is already ordered.

Pres. J. P. Bickell told the shareholders the preferred issue would not stand long as it was the intention to redeem them out of the first earnings. Ore reserves to-day are such as to take care of the issue, the company's debts and then leave a good margin of profit. Since the report of the past year was issued, 450,000 ounces of silver have been added to reserves.

As was expected, the Bickell policy received the shareholders' unanimous endorsation.

Argonaut Said To Be Lifting Over 100 Tons

From Our Own Correspondent.

MONTREAL. — Argonaut showed more strength this week after an almost steady drop from around $1.05 at the time of the annual meeting to below 60 cents. The decline in the value was based upon conflicting reports as to the company's estimated ore reserves; as to its lifting capacity for ore and because of reported dissentions among members of the staff.

The president, J. H. Kainville, is now at the mine. It is stated that the company is bringing up about 100 tons of ore per day and is increasing this to 135 tons per day, which would be equivalent to almost 200 tons for a 24-hour day as a short day is now being worked. This is the full capacity of the present mill. If the president, on his return, is able to confirm this fact, it will relieve much of the recent apprehension.

WANT SHARES HELD

Some Dome Shareholders Don't Want Treasury Shares Disposed Of

There is some criticism by shareholders of the proposal to sell Dome treasury shares in England. They are asking why, pointing out that the mine is not in need of more funds. These shareholders declare they are interested in mining and dividends only. They see in the sale of the shares a tendency to bother with the market. The increase in the shares outstanding would naturally increase the division of the funds available for dividends.

MINING CORPORATION OUTPUT

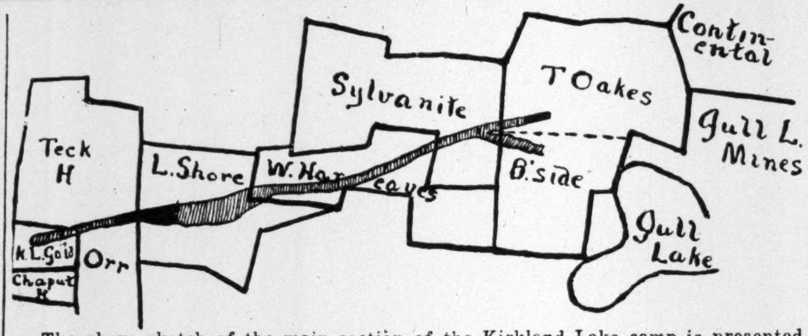
Mining Corporation's production from South Lorraine in September was 137,559 ounces.

SORTED THE DUMP

With exception of 8,268 ounces of silver recovered by sorting the mine dump, no productive operations were carried on at Cobalt during the year ended August 31, 1923, by the Kerr Lakes Mines, Ltd.

SILVER AND OTHER METALS

	29	Oct. 1	[illegible]	[illegible]
Silver—				
London	31⅝	31⅝	32 15-16	32¼
New York	64¾	64	64½	64½
Copper	13½	13½	13⅜-½	13¼
Tin	41.75	41.87	42.37	42.25
Lead	6.85	6.85	6.85 to	7.10
Zinc	6.40	6.35	—	6.30



The above sketch of the main section of the Kirkland Lake camp is presented to show the importance of the operations on the Tough-Oakes-Burnside, the old Kirkland Lake Proprietary. The slow development on this property has been a stumbling block to progress to the east. The sketch shows that the main mineralized zone of the camp reached the Sylvanite. There it is generally held, it split. Part went in to the old Tough-Oakes and was at least partially mined. The other part went into the Burnside. It is believed that it has now been cut on the 800 ft. level. The opening up of this section will show the trend of the veins as they pass on. Thus the Tough-Oakes-Burnside operations are of importance to the Continental on the north, and the Gull Lake, Queen Lebel, and others, on the south. Shaft sinking to 1,000 feet has been decided by the new board.

The Mining Industry Suffers

Many are asking what happened to Matachewan General. The stock broke recently from 47½ to 30 overnight.

It was a made market. Support was withdrawn. Collapse was the result. A few people who were speculating in a mining venture have high priced stock on hand. Some of the principals in the venture were pinched a little. But worst of all mining, as an industry, suffers.

The Matachewan General sold a block of stock to a broker. He launched the sale, using a different method than that usually employed. Some 50,000 shares were sold and the price ran up from 30 to 47½. This was done by always maintaining a bid price with a selling price a half point higher each day.

Things went along well until there was a disagreement within the selling organization. A large block of stock was thrown on the market from Montreal. It taxed the resources of the promoter of the issue. His bids were withdrawn when his broker refused to carry him further.

This is a costly method of selling stock. It runs around 50 per cent. Also it is a method not conducive to the good name of mining.

The Standard Exchange offices should think this over. They will undoubtedly say that everything was in accordance with recognized market practice. The fact is that they should change the practice.

It is known that in official circles such happenings are viewed with regret. Balmer Neilly, of the Ontario Mining Association, recently called the brokers attention to the fact that they must in future do their part to protect the investor. The thought is, was Mr. Neilly voicing not only the views of his own association but also for someone higher up.

West Tree Is Making Good Progress Sinking

Good progress is being made in underground work at the West Tree mine at Shining Tree. In No. 2 shaft, where sinking and drifting is being done, free gold is continually being encountered. Some extra good results in the drift are expected in the near future. The vein has produced some of the richest ore that ever came out of the North. Sinking is also going ahead in the main No. 1 shaft. It is the company's intention to sink to 400 feet, drifting at the different levels to connect these two shafts. Diamond drilling has already proven good values at this depth.

McINTYRE AT BEST BELOW 3,000 FEET

Development to This Horizon Will Preclude Higher Dividends for a Time

The big production of McIntyre will probably be below 3,000 feet, General Manager R. J. Enis, of the McIntyre, told the shareholders at the annual meeting. His conclusions are a result of the developments on the property at depth with relation to the porphyry intrusions. The year's development on the McIntyre had indicated that the Pearl Lake section was ideally located to profit by favorable porphyry formations. "As we go down," he said, "each horizon gets better. Values are flowing into McIntyre properties." It was only recently that THE FINANCIAL POST announced that the McIntyre would sink a 5,000-ft. shaft. This was not dealt with at the annual meeting, but it is understood that the whole future plans of McIntyre centre around such a development. Pres. J. P. Bickell did not hold out much hopes for a dividend increase for the near future. He pointed out that the present mining machinery was only good for operating to a depth of 3,000 feet and new machinery to go deeper will be a costly item. Since the report was issued, $18 ore over a width of nine feet has been opened up on the 2,375-ft. level, the deepest working in the camp. This indicates a higher enrichment and doubtless is responsible in a measure for Mr. Enis' remarks.

Gold Hill Company to Operate in Catherine

The Gold Hill Mining Company has recently been formed and has acquired 280 acres in the township of Catherine. The company is capitalized at $3,000,000 in shares of a par value of $1.00 each. David Angus, well known mine manager of Cobalt and Kirkland Lake, is in charge of operations now under way at the property. Surface work has resulted in the discovery of a number of narrow but good looking veins which on sampling across widths of about 2 feet, and over a length of 230 feet, give results of $2.00 to $90.00 per ton. The average assay over this length runs a little better than $10 a ton. Present work consists of sinking a vertical shaft, which has now reached a depth of around 25 feet, with the objective 100 feet, where a certain amount of lateral work will be done. Interests associated with the company have supplied the funds for development and operations are financed for eighteen months. Two shipments of ore have already been made from the property, one shipment averaging $48 a ton and the other $70 a ton. The third shipment of high grade is now being prepared. It is quite possible sufficient high grade ore will be obtained from development to meet all expenses and that the public will not have an opportunity to participate in the financing of this mine until development is well under way.

SKEAD AREA ONE OF GREAT PROMISE

Attention has been focused on Skead gold area of late by rumors that Dome was going to become interested. Dome did send some men into the area to make an examination of some properties. That is as far as the matter has gone so far.

Skead is an area of great promise. There are some excellent properties and some spectacular showing. The geology is ideal. All that is needed is capital.

The Manley O'Reilly is working. The shaft is now on the way to the 200 level. They have been getting good values.

The Wisconsin Skead has been a disappointment. There has been talk of their getting some new capital.

The Flanagan Skead has 540 acres south of St. Anthony Lake. There are eight veins opened up to some extent, and assays run up to $19.

Skead Gold Mines hold 55 claims and have spent $150,000 on surface work. They have done 30 miles of trenching and have several excellent properties showing varying values all of which are considered to be worthy of development.

Skead Consolidated, which now holds 42 of these claims, is preparing to go ahead with an active diamond drill campaign and sinking operations on the group which were examined and diamond drilled for English interests.

Tough Brothers have a fine group of eight claims with a large vein 22 feet wide as the outstanding showing. It gives surface values $2 to $6.

The country rock is andesite, cut by feldspar porphyry dykes, quartz and andesite porphyry. It is said that a recent diamond drill campaign revealed 12 different formations in one drill hole.

Less Canadian Silver Being Sold to London

London has not been buying as much silver from Canada this year as compared with last. Figures on the total purchases for 12 months ending Aug. 31 show a falling off in buying of 1,360,000 ounces. August, 1923, purchases were a quarter million ounces.

The figures:

	12 mos. 1922	12 mos. 1923
Ounces	4,992,487	3,632,841
Value	$3,410,631	$2,420,455

MINES MAY MERGE

Miller Lake and Haultain Companies Are Considering Merger

MONTREAL. — Shareholders of Miller Lake Silver Star Mines are called to meet on Monday next to consider the decision of the board of directors to merge the company with the Haultain Mining Company. The shareholders are offered one share of Haultain stock for each share held in Miller Lake Silver Star. Each company is capitalized at $2,000,000. The Silver Star property is in Gowganda, three miles from Miller Lake mine.

SILVER-LEAD MINE SOLD

VANCOUVER.—J. C. Pitts, Windermere, sold a ninety per cent. interest in his mineral claim called the White Cat to a syndicate from Stettler, Alta. The price is reported to be $50,000. The White Cat is a silver-lead proposition situated on Boulder Creek, a tributary to Horsethief Creek, west by north of this place. It is fully Crown granted.

LAKE SHORE EARNINGS

Lake Shore earned $48,161 in August compared with $22,622 in July. The ore in August averaged $28 a ton.

We recommend the purchase of—
Vipond Newray
Vickers Goldale
We believe these Mining Stocks are an Exceptionally good purchase at present prices.
—ORDERS MAY BE WIRED AT OUR EXPENSE—
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"Timely Talks on Mining"

By Irving J. Isbell

TALK NUMBER SIX

Luck vs Common Sense

Many people expect to make fortunes through luck rather than depend on their own intelligence or common sense. They refer to men like Rockefeller and Carnegie as "lucky," and they seem to think that men of this type are possessed of some strange alchemy, like Aladdin's lamp that "turns everything they touch into money."

As a matter of real fact, very few fortunes are made with mere luck as the basis. If you learn the facts you will usually find that hard work, courage, and the will to overcome obstacles, not to mention every-day common sense, have a whole lot more to do with making money than has luck. It was not luck that enabled Carnegie to become the "steel king." Rockefeller was a pioneer of scientific methods and systematic business procedure that has been followed out successfully ever since by the Standard Oil interests.

Stratton, the carpenter who discovered the Independence Mine of Cripple Creek and eventually sold it for $10,000,000 was not "lucky." For year after year he prospected methodically, searching along simple scientific lines for a mine. Most men would have succumbed to the hardships and the repeated failures, would have given up as a bad job, but Stratton persevered and one day was rewarded.

Or take Daniel C. Jackling, who has been termed "the greatest copper genius the world has ever produced." Every mining man is familiar with the service Jackling did in making profitable the treatment of the now famous porphyry copper ores of the middle west. Jackling commenced life as a school teacher but became interested in copper mining or more accurately the milling of copper ores and spent many years in solving metallurgical problems which until he tackled them had proven insurmountable. He broke into mining as a slag-pot pusher at $1.50 per day with the Kansas City Smelting and Refining Co. Later, through constant application and unbounded enthusiasm, he discovered a method for treating the low grade copper ores of Bingham Canyon, Utah, which had been the despair of the mining world, and gave birth to the Utah Copper Co. It was not luck that enabled Jackling to revolutionize the copper industry and thereby unfetter millions upon millions of dollars of new wealth.

It wasn't luck that made Hollinger, Dome Mines, McIntyre, etc., among the biggest gold mines of the world; nor should the people who put their money in these stocks in the early stages of development and made big profits be deprived of the credit for courage and common sense by ascribing their just reward to luck.

Readers who have been in the habit of depending on mere luck in their investments or speculations will find sooner or later that it is a weak crutch—that it is a poor substitute for common sense with which most of us have been endowed.

It is just this habit of leaning so heavily on luck that causes losses in mining or any other kind of investments. So many people put their money in a stock and hope to be lucky and thereby cast aside the business knowledge and sagacity that they would employ in almost any other kind of a business deal.

Precious metal mining in Northern Ontario is a big, scientific industry. It is not a national lottery nor a gigantic poker game where the holder of the lucky card takes the pot and the rest lose. It is an industry which, though young in years, is a giant in possibilities and common sense investment in legitimate mining enterprises has already shown that returns are large and continuous.

Mr. Isbell's "Timely Talks On Mining" will continue for an indefinite period in this column. "Talk Number Seven" will appear in the issue of October 12th.

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WINNIPEG ELECTRIC

The Winnipeg Electric Railway Co. reports gross earnings for the month of August at $400,387. After deducting operating expenses, taxes and fixed charges the net divisible income amounted to $34,932, which compares with $34,230 for the same month in 1922, an increase of $702. For the twelve months ending August 31, gross earnings amounted to $5,528,759, an increase of $43,024 compared with the previous year, while net divisible income at $708,482, showed an increase of $13,592.

NEWS OF THE BANKS AND BANKING

SIMPLE METHODS FOR MANAGERS TO INCREASE DEPOSITS

Blotters and Mottoes Put to Very Effective Use

There are innumerable inexpensive methods by which a bank manager in a small centre can stimulate interest in the bank whose local destinies he directs. For instance, one bank manager in a city of fifteen thousand has started distributing blotters at the business houses, these blotters containing on the face the name and address of the bank, date of organization, and assets, and prominently displayed in one corner the words:

"If you have money, we want it.
If you want money, we have it."

Hundreds of these blotters are available in the lobby of the bank. In fact, the manager has stressed on the employees the advisability of seeing that each visitor to the bank receives one of the blotters.

In his efforts to build up savings accounts, this same manager has been achieving success with small outlay. He has been accomplishing much by means of epigrams, some of them original, and some gleaned from periodicals, books and newspapers. Here is one of the epigrams utilized:

Don't continue to allow some other fellow to save
What you, say, yourself, are spending foolishly,
SAVE IT YOURSELF.

The epigrams have been painted on cardboard by one of the members of the staff, who is something of a signpainter. The only expense involved was in the purchase of the paint, cardboard and brush. The epigrams are changed twice weekly.

Another inexpensive method of helping savings accounts, introduced by this manager, is to clip from newspapers items showing the need of having savings in the bank. He looks carefully over each issue of the local papers, and if he finds any item that would apply to the situation, even in a remote manner, he attaches the clipping to a metal holder on the wall, adjacent to one of the desks. All statements regarding the need of savings accounts by men or women, all stories bringing to light the penalties for lack of having savings accounts, all articles and addresses or interviews, eulogizing economy and thrift, were placed on display.

He has given the right of way to articles showing the efficacy of storing money in the bank for the inevitable rainy day. Incidentally, he has been able to write some articles himself for the local newspapers, in which the advisability of exercising thrift is emphasized. These articles do not bear his name, and he plans to continue the articles indefinitely, pointing out one moral in all his articles, to wit: use the banks more and wildcat stocks less—J. McN.

Exchange

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Sept. 27...	2 3-16	2 5-32	Par	1-32
Sept. 28...	2 3-16	2 1-8	Par	1-64
Sept. 29...	2 5-32	2 1-8	1-64	1-32
Oct. 1...	2 5-32	2 1-16	1-64	1-32
Oct. 2...	2 3-32	2 29-32	1-64	1-32
Oct. 3...	1 29-32	1 5-8	1-64	1-32

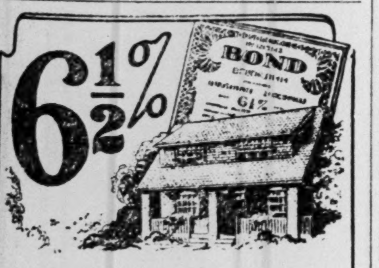
STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Sept. 27	4.54 15-16	6.12½	4.58
Sept. 28	4.55	6.15¼	4.59
Sept. 29	4.54½	6.14	4.56½
Oct. 1	4.53⅞	5.93½	4.48¾
Oct. 2	4.54⅜	5.97½	4.51
Oct. 3	4.54½	5.87½	4.47¼

Young Man

Canadian, well educated, desires junior position with reputable financial firm. Excellent references.

Box 107, Financial Post



Individual mortgages on houses already built on improved Toronto residential property are the direct security for every investor in

Canada Housing Bonds

The bonds are further secured by all the assets of the Company plus a substantial sinking fund.

Price: 100 to yield 6½%
Write for full particulars

Municipal Bankers
Sales Corporation, Limited
34 King Street East
TORONTO 4

Banks May Save Interest Through Loan Payments

Possibilities of extra profit to the banks from the Dominion Government loan are contained in the provision for dating the bonds Oct. 15. Assuming that half of the $200,000,000 used by investors to pay for the bonds is drawn from the banks by cheques or otherwise on the fifteenth of the month, no interest will be allowed on this from Oct. 1 to Oct. 15. The interest at 3 per cent. on this amount for fifteen days would be $123,200.

Many Employees Are Better Off in Their Bank Positions

Salary Is Not The Only Consideration — Banking Like Other Vocations Has Rewards for Many Who Display Initiative, Application and Ability

In discussing the question of salaries for branch bank managers and for members of the banking profession in general, and in presenting an opportunity through these columns for arguments and suggestions looking to an improvement in conditions which have recently led a considerable number of bank men to seek other vocations, it must not be taken that the case is altogether against the banks. There is a good deal to be said from the bank standpoint. There are men in positions in the banks to-day who might possibly improve that position by making a change, but there are undoubtedly many others who are being paid all they are worth and who would perhaps not find as much reward for what they are putting into their jobs in other walks as they are now receiving. Many bank men have made a change to advantage—there have been many others who would have been better off to stay with the banks.

The bank manager has a standing in the community which means considerable in a social way. While the salaries may not be big compared with high executive positions in industrial concerns, they are usually substantial in relation to the cost of living in the community. Then there is the element of stability and permanency which should not be overlooked, while with the majority of the banks the pension fund and the payment of income taxes are additional factors for consideration. The pension fund largely takes the place of life insurance and in the majority of cases the same benefit would probably cost double in premiums the amount of the adjustment in the bank salary. The deductions are usually about 4 per cent. and the benefits are considered as being worth 8 per cent. of the salary. There are many cases, too, where bank managers have favorable arrangements regarding living accommodation.

In banking as in other walks in life it is frequently the case that as what a man is worth in earning power decides the amount of salary, so do the complaints come from many who are not willing to put the effort into their work to be worth increases. The following contribution from a bank man with knowledge of head office efforts in the direction of staff education and improvement shows that with many bank workers there is a discouraging lack of interest in educational opportunities provided for advancement.—J. W. T.

Although from time to time in the past few years the Canadian banks have made notable contributions for the furtherance of staff-education, the solution of this problem appears as yet far from assured. To quote a bank executive, with whom THE FINANCIAL POST has discussed the question, "the apathy of junior officers to-day toward that self-education, which is so vital to their ultimate rise in banking, is pathetic."

Dr. W. G. Morden, principal of Napanee Collegiate Institute, in the current issue of the school magazine, "The Torch," gives a distinct rap to the youth who enters upon a banking career with sub-normal education. "All through life he will be handicapped by his lack of education, and the bank will be handicapped as well. From such as these leaders are not developed."

Dr. Morden fears that too many youths with less than one year in the Collegiate Institute are attracted to bank jobs because "they doubtless observe that the hours are not too long, the work is a 'gentleman's' job or a 'white collar job' and there does not seem to be much responsibility resting on anyone but the manager. Before they receive an appointment they imagine the pay is good. Afterwards—well that is for another discussion."

Dr. Morden evidently considers that for the greater efficiency within their own organizations Canadian bankers should put more stress upon education for their employees. "In the long run," he points out, "the banks themselves suffer, for they swallow a mass of raw material which they can only partially digest and assimilate. The undigested portion cannot be excreted and, being retained in the system, clogs and poisons the whole system to some extent. It is probable that a bank which had an expert for selecting its juniors would in the long run be the leading Canadian bank."

Dr. Morden's arguments pertain chiefly to education of the youth before his entrance into the bank. Over him our bankers can scarcely be said to exert control except they be disposed to institute a qualifying test for all would-be junior officers.

Litle Interest Shown

Canadian bankers, however, have lent their co-operation to the cause of banking education. The banking courses of the Shaw Correspondence School and of Queen's University, both of which lead their graduates to diplomas and rank them as Associates or as Fellows of the Canadian Bankers' Association, are admirably adapted to the broadening of that knowledge which must be part of the equipment of the successful banker of to-morrow. Hundreds have graduated in both these banking courses since 1914, but it is no secret that the heads of the banking institutions which have lent their monetary support are disappointed at the comparatively small number who have carried through with their banking studies to the winning of their diplomas. Banks actually paid the tuition fees for those who would enter upon the necessary studies. But the indifference of the general staff of almost every bank discouraged those bank executives who sponsored the free education programme, and the offers have been gradually withdrawn.

Urging that bank officers should avail themselves as widely as possible of the educational advantages of these study courses, W. A. MacIntosh, director of banking courses at Queen's University, says: "We cannot too strongly urge that bank officers should avail themselves as widely as possible of these courses. The day is past when in banking or any other business the routine of practice is the only, or even the most advisable road to success. Behind practice there must be knowledge of fundamental principles. One must remember that the most practical employee of any business organization is the office boy. He is pure practice, and in the scale above his position rank those who have widened their practical experience through a knowledge of fundamental principles."

BANK MEN'S ESSAYS WIN WILKIE PRIZES

W. L. Aiken, of Molsons, and B. E. Howard, of Imperial, are First Prize Winners

From Our Own Correspondent

MONTREAL.—Awards have been made under the D. R. Wilkie scholarship, and five Canadian bank men have received prizes for essays submitted in the contest.

The D. R. Wilkie scholarship was instituted three years ago by the Imperial Bank of Canada, which offered an annual prize of $100 for the best essay on a given subject, submitted by any Canadian bank officials studying in either the Associates or Fellows course in banking, under the auspices of the Canadian Bankers' Association. Later the association supplemented the award with second and third prizes of $50 and $25, and the Imperial Bank added to the original prize a $100 prize for the best essay from a bank employee not enrolled in either of the courses, and $25 as second prize in this second competition.

The winner of the first prize in competition No. 1 was, this year, W. L. Aiken, employed as assistant accountant at the Toronto branch of the Molsons Bank. The subject of his essay was "Minor profits, their character and importance, and best methods of collection."

The complete list of prize winners follows:

Competition No. 1

(For bank employees enrolled in either the Associates' or Fellows' Course.)

First prize, $100. W. L. Aiken, The Molsons Bank, Toronto, Ontario.

Second prize, $50. James H. Simpson, The Canadian Bank of Commerce, Vancouver, B.C.

Third prize, $25. N. S. Mackie, The Imperial Bank of Canada, Fernie, B.C.

(The first prize in this competition is given by the Imperial Bank of Canada; the second and third prizes are paid by the Canadian Bankers' Association.)

Competition No. 2.

(For any person employed in a Canadian Bank who is not enrolled in either the Associates' or Fellows' Course.)

First prize, $100. B. E. Howard, The Imperial Bank of Canada, Toronto, Ont.

Second prize, $25. P. H. D. Stopford, The Canadian Bank of Commerce, Shellbrook, Sask.

(Both of these prizes are given by the Imperial Bank of Canada.)

Staff Gossip

Harvey C. Gray has been transferred to the Canadian Bank of Commerce branch at Herbert, Sask.—The Manitoba Free Press, Winnipeg.

* * *

F. W. Anderson, recently manager of the Bank of Montreal here, has been transferred from the Bow Island branch to Medicine Hat.—The Canadian, Camrose.

* * *

C. E. Allen, who for the last three years has been a member of the staff of the Stirling branch of the Bank of Montreal recently left for Galt to which city he has been transferred by the bank.—The Argus, Stirling.

* * *

E. B. Lavelle, who was at Port Hood for a week acting as manager of the branch in the absence of Mr. Dawson, has been transferred to the Bank of Montreal branch Mexico. H. P. Emerson, of Halifax, has been sent to take his place.—The Herald, Halifax.

* * *

D. L. Walker, of the Vancouver branch of the Union Bank of Canada, arrived last Friday to take over the duties of teller at the local branch. C. H. McMillen, who has been teller for the past eighteen months will relieve C. R. Malcolm during the latter's holidays.—The Star, Princetown.

* * *

At the Bank of Nova Scotia recently, J. H. Malcom the retiring manager, who is being transfered to Yarmouth, was waited upon by a number of friends and prominent business men of the city and presented with addresses accompanied by suitable remembrances.—The Guardian, Charlottetown.

* * *

William Duhan, who has been on the staff of the Humberstone branch of the Imperial Bank for the past six months, left recently for New Liskeard where he has been transferred. The evening previous to his departure a bachelor dinner was tendered him by his fellow bankers at Shibley's Restaurant.—The Citizen, Port Colborne.

* * *

H. B. Macpherson has been appointed manager of the Bank of Montreal at St. George, Ont., in succession to R. E. Lawrason, who has been transferred to the Toronto branch.

Mr. Macpherson was formerly in the service of the Merchants Bank of Canada, and for a considerable period was manager at the bank's branch at Parkhill, Ont. While in Parkhill he was secretary of the Chamber of Commerce, secretary-treasurer of the Boy Scouts and secretary-treasurer of the baseball league.—The Expositor, Brantford.

* * *

S. J. Bodger, has been transferred from the Bank of Montreal in Yarmouth to the Toronto branch of that institution. Gerald Lawson, manager of the local branch, presented Mr. Bodger, on behalf of other members of the staff, with a silver cigarette case. The gift was accompanied by a brief address, depicting the very high estimation in which Mr. Bodger was held by his fellow members of the staff. Mr. Bodger in responding heartily thanked the staff for their kindly expression.—The Herald, Yarmouth.

DOMINION BANK

The Dominion Bank announces that its branch at Summerland, B.C., was closed on September 29, and the business there transferred to the West Summerland office.

When Investing

The managers of all our branches are in a position to obtain reliable information for those of our customers who contemplate making an investment. The purchase or sale of Government, Municipal and higher grade Industrial Bonds can be arranged through any branch of this bank. 443

IMPERIAL BANK
OF CANADA
OVER 200 BRANCHES IN DOMINION OF CANADA.

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LONDON JOINT CITY AND MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
FREDERICK HYDE EDGAR W. WOOLLEY

Subscribed Capital	- -	£38,117,103
Paid-up Capital	- - -	10,860,852
Reserve Fund	- - -	10,860,852
Deposits *(June 30th, 1923)*	- -	347,900,203

HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C.2
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C.2
Atlantic Offices: *"Aquitania" "Berengaria" "Mauretania"*

AFFILIATED BANKS:
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THE THREE BANKS HAVE OVER
2,000 OFFICES IN GREAT BRITAIN & IRELAND

ONTARIO NATIONAL DEVELOPMENT CORPORATION LIMITED LAUNCHING IMPORTANT PROGRAMME

Powerful Canadian organization, staffed with mining and technical experts and organized sales, brokerage and publicity departments, has big gold development campaign under way in Northern Ontario.

WHAT is the crying need of the world to-day? Wheat? No! The world is filled with wheat. Russia, Argentine, Canada, India, the United States, all have bumper crops.

The need is for GOLD. Gold to stabilize the exchanges—gold to settle the bonded debts of all the nations. Speedy resumption of an international gold standard is essential, urges the London Statist, if the European budgets shall be made to balance. Never in history has the production of the precious metal been so profoundly important.

Ontario has the gold—and Ontario alone. Hundreds of millions, perhaps billions lie in Northern Ontario awaiting extraction, states the Toronto Globe. "Canadian people in their own interest must speed up production."

This is the actuating principle of the ONTARIO NATIONAL DEVELOPMENT CORPORATION LIMITED—the production of Canadian gold by Canadians. In the carrying out of this great enterprise the ONTARIO NATIONAL has the organization and equipment to achieve great things. Possessed already of many rich and promising gold properties, it is each week under the expert advisement of its engineering and technical staff, adding to its holdings by extensive purchases in the Porcupine and Kirkland Lake districts.

Organization—In addition to its staff of distinguished mining engineers and metallurgists, it is equipped quite as strongly with sales, publicity and brokerage departments that command respect for proven ability and experience.

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Prospectors and owners of undeveloped gold properties are invited to communicate with these offices.

THE FINANCIAL POST

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, OCTOBER 5, 1923

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

EASY COME, EASY GO

THE decision of Mr. Fielding in connection with his latest Dominion bond issue, to take all the money being offered, is, in the opinion of THE FINANCIAL POST, a mistake for several reasons.

First. It is an accepted weakness of public business that funds easily obtained are readily spent. Mr. Fielding is taking beyond his acknowledged requirements. The result will be that the almost rapacious demands of the constituencies for governmental expenditures will be encouraged. There will be as well a tendency to ease up in the efforts for economy and efficiency in departmental administration. The relief for which taxpayers are earnestly looking will not be found while Ottawa has plenty of money to spend.

Second. Mr. Fielding is taking more than Canada needs while other justified borrowing is deferred. The Province of Ontario is a case in point. The surplus above Ottawa's acknowledged requirements would go far to take up the Ontario and other issues which were postponed because of the federal financing. Even though the federal offering has been taken up in original subscriptions without a strenuous drive for funds, it will be some time before the bonds are placed in the hands of the eventual holders and in the meantime they will have a direct bearing on the investment market.

Third. Long term public borrowing of this character has the effect of removing just so much money from use for current business and industrial enterprises. The heavy burden of taxation on business makes such issues popular with investors. But the tying up of funds has a direct bearing upon the development of national resources and the expansion of industry—that creation of wealth from which the interest and principal of our public debts must be paid.

It is, of course, gratifying that Canada has such substantial reserve wealth but there is an axiom about maintaining a healthy appetite by never quite satisfying it, which Mr. Fielding might well consider in catering to the public capacity for government issues.

THE PUBLIC MONEY SUPPLY

THE suggestion is made by The Toronto Telegram that if the big financial interests will not lend the province of Ontario all the money required for Sir Adam Beck's programs and other needs, that the activities of the government savings offices be extended. If the province found that it could meet all the expenses of the government savings office system, making full allowance for rentals and other charges and maintaining necessary liquid funds to meet demands from depositors, there might be some justification for the suggestion. But that is not the whole case.

The laws of supply and demand apply to capital as to other commodities. The financial institutions handle the funds of individuals. They do not create money. They do not control the price which the Province of Ontario or any other borrower pays for its money any more than the grain dealers of Canada control the world price of wheat. The rate paid by Ontario will be decided by two things—the amount of capital available and the extent to which the credit of the province is being used up for other purposes. If Ontario goes into the market at a time when the Dominion of Canada is competing for the available supply of money, the borrowing price will be decided by supply and demand—not by the money lenders.

And there are other important considerations. If the province by its legislative powers accepts deposits with guarantees backed by the public credit in competition with the banks and mortgage companies, it means that just so much money and credit is removed from the supply which the banks can offer for commercial business, or the loan companies offer on mortage. Current funds will be tied up in long term credits.

Finally, there is the point that in thus competing for deposits on the public credit, the government is exercising its peculiar advantages against the private institutions which through the heavy taxes they pay contribute very largely to the government's own expenses.

CONSCRIPTION OF CAPITAL IN CANADA

THE Old Country element—with its tendencies to agitate for its theories, views and prejudices—is very strong in this country. In its aggressiveness and noise it overshadows the native-born Canadian. During one of the most far-reaching strikes it was found that six out of the seven persons who inspired the trouble and were directing it were foreign born. These people do not understand the great differences underlying new industries and young countries. They bring, for example, to this country their theories on taxation which are probably quite proper in the old countries where their industries are established and where new capital is easily found from outside those engaged in the industry. In Canada, the capital used to develop most of our industries is furnished by the earnings in excess of actual living expenses of the persons engaged in these industries—persons who save by excessive industry and excessive personal economies to provide the capital needed. To-day under labor agitation our taxation of industrial incomes has grown to such an extent that we have actual conscription of capital.

BUILDING COSTS CAN BE REDUCED

AN EVIDENCE of the decline in construction costs in England is given in the Times. The estimate on a road and bridge at Norwich was £64,620. The actual cost was £17,620 less. The saving was entirely due to the steady declines in wages and materials after the work had begun, equivalent to 26½ per cent.

ONLY CAPITAL NEEDED: THE MINES ARE THERE

THE statements of president, J. P. Bickell, and general manager R. J. Enis of the McIntyre mine, made to the shareholders at the annual meeting, that they expected the best results from their property in mining below the 3,000-foot level, opens up an entirely new vista in regard to the possibilities of Northern Ontario. Porcupine has produced $105,000,000 in wealth to date and four-fifths of this came from the area between surface and the 1,000-foot level. Only on the McIntyre has there been any great amount of mining done below this point. Dome has mined fairly extensively to the 1,400-foot level, while the bulk of the Hollinger production to date has come from above 800 feet although the shaft is now down about 1,500 feet.

The regretable feature is that there are less than a dozen companies really pushing ahead on the production of this great wealth. The main reason for this is lack of capital. Initiative, courage and money are needed to push developments ahead. One of the leading mine managers of the north is credited with having made the statement: "Give me a million dollars and I will get the mine." In other words knowledge of the industry has brought matters to the point where it can reasonably be said that those who put up the necessary funds can have a mine. The encouragement of capital to enter the North is, therefore, the desired mark to aim at.

MAKING ADVERTISING EFFECTIVE

ADVERTISING is now recognized as holding an established place in the machinery of economic marketing. Manufacturers, wholesalers and retailers, and all who are concerned with the manufacture and distribution of goods will, therefore, be interested in the series of prizes for advertising to be awarded through Harvard University by Edward Bok, former editor of the Ladies Home Journal, and donor of the $100,000 prize for a feasible scheme to keep the nations from war.

The chief prize will be for the advertising campaign for the year "deemed most conspicuous for the excellence of its planning and execution, seeking publicity in a single locality or relatively limited territory either for products or for industry." Other efforts which will annually be recognized are personal service and raising of standards of advertising—publishers of newspapers and periodicals as well as advertising men being eligible for this competition; the planning and execution of a national campaign over a large territory; scientific research in advertising, excellence in the technique or substance of individual advertisements and the effective use of English, of typography and of pictorial illustrations. The money prizes are substantial, in some instances a thousand dollars, in others fifteen hundred.

According to Mr. Bok the advertising industry in the United States entails more than a billion and a quarter dollars a year. The expenditure of this money must bring results, or advertising would not be an ever-increasing factor in the distribution of goods. There can be no doubt, however, but that immense sums spent on advertising are being wasted. The advertising which gets attention will bring more than its proportion of benefits for the expenditure involved. Much depends on the preparation of the copy. Every advertisement should contain news if at all possible. The advertisement writer must, like a speaker, at all times keep his audience in mind. As a speaker giving his message to a group of school teachers, a class of school children or a gathering of working men, would word his message in a different way in order to make the greatest possible appeal, so must the advertising copy writer make his message appeal to the readers of the publication he is addressing.

If Edward Bok's idea is effective in making advertisement writers more careful in the preparation of their copy it will improve the efficiency of a very important branch of modern merchandising.

EDITORIAL NOTES

THE sojourn of the Prince of Wales on his Alberta ranch should be capitalized by the Immigration and Colonization department to advertise the attractions of the Canadian West. What is good enough for a prince should be good enough for his people.

* * * *

GERMANY is still trying to sell marks to foreigners: the manager of a leading Berlin daily told New York reporters that immediately there was a definite solution of Germany's problem the mark would go up 100 per cent. in value. Estimates as to profits made by Germany in disposing of valueless marks to foreign speculators vary from two to ten billion dollars.

* * * *

WHETHER there is any direct connection between the number of people in Great Britain who are not employed and the Labour College movement, it is significant to note that the objects of higher education for the workers is not to teach workers how they may become more useful to themselves and the community but instead to arouse them against prevailing conditions and institutions. Addressing the Glasgow District Council of the Scottish Labour College recently, J. Walton Newbold, M.P., declared that the aim of the Labour College movement "was not education for the sake of entertainment, culture or self-gratification, but for emancipation."

* * * *

ANOTHER successful bank robbery has been perpetrated in Toronto. Escaped convicts from Kingston worked with peculiar boldness. The event emphasizes three things necessary to check these depredations: A police system which will lead to arrests; a prison system which will hold the prisoners after they are caught and a system of punishment which will make them regret their violent deeds while they are incarcerated. Further, it would undoubtedly detract from the glamor of a burglar's career if soft hearted social uplifters of the Prisoners' Protective Society and other organizations would leave these criminals to a deserved fate.

* * * *

THE RENFREW Mercury has just issued a special number to celebrate the centenary of the town. The Mercury has always been a good newspaper and it has never been better than under its present editor, W. R. Davies. In this issue he plays up the practical side of the town's development in a way that makes one wonder whether any other town in Canada can show such a record of successful men, men who through the generations have become leaders in national as well as business affairs—all the way up to Hon. Mr. Low, Dominion Minister of Trade and Commerce. Renfrew must have had an energetic, brainy stock to begin with. Mr. Davies, who is himself an unusually successful journalist publisher, might let us know what inspired so many of its citizens to attempt and do the things his story of the town covers.

Canadian Millionaires

By ARTHUR HUNT CHUTE
In Halifax Herald.

Someone wrote recently on "The Danger of Great Wealth."

What I fear most is the "Danger of Great Poverty."

There is no ground for worry in Canada over the superabundance of riches. Lack of riches, on the contrary, causes many to be out in the morning early, to be losing sleep till late.

Having a wholesome fear of poverty. I would not complain if it were raining millionaires in this Dominion.

Most of the ineffable humbug uttered against riches is merely mediocrity and laziness expressing itself in the face of industry and genius.

Tom, Dick, and Harry, loafers at the pool-room, are not in love with success. To them, energetic effort appears as a rebuke. Hence their vaporings against great wealth.

To hear the wiseacre at the cross-roads, inveighing against the rich, one might think that these same rich kept all their dollars in a stocking, like some old-timers.

John D. Rockefeller on one occasion was seated on a lawn at an English country estate. Suddenly he was presented with a telegram which summoned him to London. The then richest man in the world put his hand in his pocket for car-fare, and it was empty.

Where was the money of John D.? Not carried around in his trousers, not hoarded in an old stocking, as the cross-roads yokel would infer.

His money was busy pumping oil from Oklahoma to Baton Rouge in tankers on the sea, in the New York Central Railroad. Over a continent, and over the oceans, his millions were tirelessly serving the people.

* * *

Only to-day I heard someone ranting against Rockefeller's hoards; and here in Wolfville is Acadia College, speaking before mine eyes of the good books that will follow that man. You may find the same in the Medical School of Dalhousie, at McGill, at Toronto, and at Queens, Rockefeller's money at work for the boys and girls of Canada.

If we had to look to nip-cheese politicians for library, college or museum, poor indeed would be our lot.

We need not indulge in any slavish worship of the Almighty Dollar. But to say that, does not mean that we are averse to good things.

It is a notable fact that much of the cant on the danger of great wealth emanates from those who are conspicuous for their remoteness from that danger.

A delivery wagon goes rattling down the street, a host of urchins rush after it pell-mell, all struggling for the tail board, one succeeds, the others fail. Then comes that yell:

"Whip behind."

When these same urchins have attained to manhood, we hear their envy once again in their yells on the "Danger of Great Wealth."

Not long ago I was traveling across to Battle Creek, to visit Clarence V. Barron, publisher of the Wall Street Journal. Going to visit Mr. Barron turned my thoughts toward wealth. In the Prince Edward Hotel in Windsor, Ont., where I spent the night, there were all the appointments of luxury, but out of the window of the de-luxe dining room, I beheld a row of tin lizzies, gaping at me. On the following day, out of a Detroit club, I noticed a row of limousines.

He is both a prevaricator and a hypocrite who claims that he prefers a tin lizzie to a limousine, and yet a Canadian friend, at the Detroit club, exclaimed with unction, "I am glad we have not got these millionaires in Canada."

"Ah," I replied, "we have got them, but alas, we haven't got enough of them."

* * * *

Believing that the more rich men we have, the more we will all have, I said, "Someday, I hope to see as many millionaires in Canada, as in the United States. We've got as much potential wealth as they. The only trouble is that most of our wealth is locked up tight, and we will have to pay someone to unlock it."

"Yes, pay him a decent salary, and that's enough. Over a hundred thousand dollars a year is too much for any man."

"Ah, but can you imagine hiring out a Lord Strathcona? No, creative genius has its incentive in the joy of mastery. Make the creator a slave, and hireling of his own creation, and thereby, for many, you will kill incentive."

In one of our Canadian cities I saw a palatial residence, the property of a man who has literally made the desert blossom as the rose. He has enriched his country and himself.

It pays to give a man a million to make a hundred millions.

By virtue of services rendered, the builder of business has a right to a large stake in the national wealth. But speaking of rewards, the creator of the Marquis Wheat has surely a mighty credit still due him from this Dominion.

Let us hope that the day may come in Canada when the enlarger of our wealth will be rewarded, as fairly for service in a laboratory, as for service in a bank.

Before the war, wealth was so abundant that many forget that it did not "just happen." The war brought destruction of our accumulations. Good times will not return until we have accumulated those reserves again. In this light, rich men who invest their money to grow richer are really trustees for the benefit of all.

The ten-talent man never hides his talent in a napkin, it is only the one-talent man that does that.

But the faithful steward of ten talents is too often the one against whom the public fumes. As Colonel John Bayne MacLean expressed it: "We give our prize cattle a blue ribbon, and on our prize men we bestow abuse."

* * * *

"What's that old money grub want to keep everlastingly pegging away for?" jeers the idle cynic. He forgets that for a great captain of industry to knock off, would be a calamity for thousands who look to him for a livelihood.

When I meet Lord Shaughnessy walking down to the Windsor station, in the early morning, he is not going there merely to work for himself, he is going to help to create the daily toil of thousands.

To afford permanent work and good wages to multitudes is surely one of the finest contributions that any man can make to his country.

In the further building up of this new nation, our hope is not in systems, but in men.

Robert Hobson On Conditions in Europe

Just returned from an extended trip to Europe in which he had an opportunity of studying at close range some of the developments of which only echoes are heard in this country, Robert Hobson, President the Steel Co. of Canada, Ltd., in an interview with Hardware and Metal, gave some interesting data which is somewhat indicative of the general trend of events in Britain, France and Germany. Labor conditions were described as bad, there being considerable unemployment though this was being relieved to some extent by the active emigration being carried on. A somewhat vindictive spirit among the working classes was pointed to as a development of the present condition, the case being cited of the 15,000 dock workers who went out on strike because of the reduction in wages without corresponding reduction in the cost of living. The dole system was resorted to and foreigners were brought in. There was said to be a low state of efficiency among labor in many cases and Mr. Hobson was of the opinion that this had much to do with the industrial condition of England in view of its close proximity to countries where higher standards of production were demanded of employees. The vindictive spirit aforementioned, was evident in the attitude of this class of workers toward those displaying any evidences of wealth. Mr. Hobson stated that the attitude of those working on roads toward passing motorists was, in many cases, almost hostile. The same workers, he pointed out, would be loafing on the job with five or six men doing the work which two or three active men would accomplish.

This lack of efficiency was confirmed, according to Mr. Hobson, by remarks passed by an English industrialist who recently inspected the Steel Company plant at Hamilton. This visitor enquired as to where all the men were, and when it was shown that modern machinery eliminated much work formerly done by manpower, he stated that they would never stand for the use of such machines in the English mills.

Passing on to France, Mr. Hobson stated that while outwardly France appears to be very prosperous, it was his opinion that the apparent wealth was that brought into circulation by the large number of American tourists. There was said to be a considerable volume of floating wealth among the people, but this was not applicable to the government's position.

It was difficult to say what effect the adjustment of the situation in the Ruhr district would have, according to Mr. Hobson. It was the opinion of some that Britain's policy of apparently helping a competitor to a footing was unwise, but there was also a strong element favoring the quick revival of Germany as an aid in adjusting European problems in general. It was not thought that revolution would develop far if at all, in Germany, as now predicted by some, Mr. Hobson being of the opinion from his observations that the average German is anxious to get down to work and have a fair standard of living in return.

Questioned concerning the attitude toward certain public representatives, Mr. Hobson stated that P. C. Larkin, Canadian High Commissioner, was well regarded as a successful business man, though perhaps not as polished a diplomat as those favored with longer experience in public office. He thought it regretable that Canada was not represented with better office accommodation in London, the new building being somewhat of an improvement but not on a par with what this country should have.

Premier Baldwin was very popular with the large part of the community, according to Mr. Hobson. The new premier was said to be supported by a large part of the press and four out of five men on the street expressed sympathy for France in the present difficulties.

Returning to conditions in Canada as he has found them upon his return, Mr. Hobson expresses satisfaction with the improvement which has taken place and is sanely optimistic concerning the future. He points to the fact that in Canada savings deposits exclusive of those in loan companies total $105.05 per capita. Taking the loan companies' deposits into consideration he estimates this figure would be over $150 per capita, which compares very favorably with some of the larger countries where only $50 per capita represents the people's savings.

PERSONALS

J. L. REPLOGLE'S retirement from the presidency of the Vanadium Corporation of America is an aftermath of the war. Until Mr. Replogle went down to Washington as director of Steel Supply he had never had a day's illness. But his new job was the most strenuous he had ever tackled. "I thought I knew what work was; I worked my way from the bottom, but every other job I ever had was a sinecure compared to this," he once said. While running steel in Washington Replogle ate his dinner at 2 a.m. more often than not. He seldom left his office till long after midnight. And he had never been the same man since.

R. H. BAIRD, the new assistant to the general manager of the Union Bank of Canada, entered the service of that institution in May, 1899, at Smiths Falls. He was attached to Montreal and Toronto branches until 1902 when he was transferred to Winnipeg. In 1904 he was appointed accountant at Neepawa and in November, 1905, opened the branch at Milestone, Sask. In 1907 he was appointed manager at Cardstone. In the following year he was on relief duty at a number of Alberta branches and in 1909 was appointed inspector for Alberta with headquarters at Calgary. Three years later he was appointed Superintendent of Alberta Branches with headquarters at Head Office. November 1, 1917, he was appointed manager of Main Office, Winnipeg, the post he continued to hold until his present appointment became effective. Mr. Baird this year is chairman of Winnipeg Clearing House, president of St. Charles Country Club and honorary treasurer of the Lakeside Fresh Air Camp.

DEPOSITORS NEED PROTECTION

Brockville Times

It has generally been thought that depositors in Canadian banking institutions cannot suffer loss, but recent revelations indicate differently, and even if there is nothing finally lost the wait until a bank's affairs have been cleared up means a loss to many persons. There ought to be some method whereby when a bank goes under, the depositors are assured of their money without delay. In this respect there is room for improvement.

In the opinion of one banking authority, private depositors ought to be given the first consideration whenever difficulties arise. As the law stands, the Dominion and Provincial Governments are the preferred creditors, though they have means of "getting from under" whenever trouble threatens which are not available to the private depositor. The governments, for one thing, are better informed of the internal affairs of the banks, while the depositors are commonly quite ignorant as to what may be going on. They have to take things on trust, and for that reason should be adequately safeguarded. Nothing is of greater importance than the maintenance of public confidence. By the amendment of the law in the direction indicated, a great service would be rendered Canadian banking as well as the public at large.

Why Leverhulme Failed

Lord Leverhulme has confessed the failure of his paternalistic scheme to relieve the poverty of the people of the Island of Lewis, in Northern Scotland. After erecting a large fish canning plant, building docks, providing trawlers for the fishermen, enlarging the local gas plant, constructing roads and spending $5,000,000 on public utilities, he has been forced by the ill will of the people of the island to abandon his schemes. He has turned the island, lock, stock and barrel over to the inhabitants and will let them work out their own fortunes.

With everything to gain and nothing to lose, why did the Islanders turn down Lord Leverhulme? Probably the trouble was not so much with his plans as with his psychology. Leverhulme gave the people everything they needed but he did it in such a way that they knew they were getting all these bounties for nothing, and there is something in every man that makes him unwilling to publicly accept charity. That is a reason why many paternalistic schemes fail.

Leverhulme understood the needs of the Islanders but he did not understand their minds. A Canadian, who is just back from the Island of Lewis, tells the writer a story that illustrates this point. In parts of Scotland the Lord of the Manor has the honor on Sunday mornings of saying the prayer in the kirk. Whenever he was at Stornoway, Leverhulme took to himself, as owner of the whole island, the privilege of saying the prayers in the kirk. This was an innocent enough diversion but it caused all sorts of troubles. Little differences of creed; old traditions that resented the presence of an erratic outsider; an unwillingness to recognize a millionaire soap manufacturer as Lord of the Manor, all combined to make the Sunday morning prayers the backbone of rebellion.

There is a lesson in Leverhulme's failure at Lewis. It is that the corporation or business leader who wants to keep the public goodwill must be a psychologist. The man on the street will not respect a large corporation that has helped to build the country and make a job for him unless the heads of the corporation speak to him in language that he will understand. The business man whose own career provides inspiration for less fortunate or less capable individuals may spoil the entire public appreciation of his work by one careless remark or ill-considered action. We have many examples in Canada of fine types of business men who, figuratively speaking, wanted to say the prayers in church on Sunday morning.

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GOVERNMENT NOW IS HARD AT WORK ON IMMIGRATION

This Is Belief of Business Men — Faith in Robb

From Our Own Correspondent.

MONTREAL. — The immigration figures for August came as a distinct and very pleasant surprise to many business men, and served to focus attention on the changed attitude of the Federal government towards this important question. The figures indicated that immigration into Canada during August was on a greater scale than in any single month since before the war, a total of 25,249 immigrants having entered into Canada, of whom more than 15,000 came from the British Isles. This figure did not include men who came over for temporary work as harvesters, although a large proportion of these are expected to remain in Canada.

It is now generally believed that the government is alive to the necessity for increased immigration and for a policy of encouraging such immigration. Six months ago the policy of the government was decidedly weak-kneed and dominated chiefly by the motives of trying to avoid displeasing the labor party, and of keeping former alien enemies out of the country. As the result of the changed attitude at Ottawa and the appointment of Hon. Mr. Robb as Minister of Immigration, the prospects for 1923 are decidedly bright; much more than the prospects for the present year were six or eight months ago.

C. P. R. Responsible Now

It must be admitted that a large proportion of the influx of new citizens during August was due directly to the efforts of the Canadian Pacific Railway and only incidentally to any work of the Dominion government. While the C. P. R. will continue its good work, it is not likely that it will dominate immigration activities from now on, because the new minister of immigration is recognized to be the right man in the right place, and certainly one of the hardest workers who ever occupied this cabinet post. He has been talking over his work with many men experienced in immigration efforts in the past and may be expected to put his newly acquired knowledge and his recognized energy to good work.

At the present time practically all of the restrictions against immigration that were put into force in 1920 have been removed and it is generally hoped that the remaining restrictions, where they serve no real purpose except to prevent the entry of desirable immigrants, will all be removed shortly. Most of these restrictions were due to the after-war feeling against alien enemies, but time has served to lessen this resentment. This was very clearly and interestingly indicated the other day when one of Canada's biggest business men and an active leader in immigration work was speaking to THE FINANCIAL POST. This gentleman lost a son in the late war, killed by the Germans, but he remarked that he hoped that strong efforts would be made to encourage immigration of Germans to Canada, because the Germans were hard workers and among the most desirable immigrants we could have. Germans had, he stated, become some of the most prosperous of Canada's citizens in the past.

In addition to Germans, it is believed that the government immigration activities will be centered around bringing Hungarians, Swedes, Norwegians, and perhaps Galicians, to Canada. These people will be in addition, of course, to British immigrants who are considered by most people to be the finest type we can get into Canada. All of the nationalities mentioned have proven successful in this country.

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Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

SPANISH RIVER

Reader, Darmody.—What is your opinion of Spanish River 7% preferred stock?

The Spanish River preferred stock is giving an excellent account of itself, and we have considerable faith in this company. In the course of time this preferred stock should earn considerably above the present dividend rate because it is a participating share, and the newsprint industry in Canada seems to be very firmly established and Spanish River is the leader in newsprint production.

SWIFT CURRENT ARREARS

Bondholder, Quebec—I have read with considerable interest your Investors Inquiries and would appreciate hearing from you what your opinion is regarding the debentures of the Swift Current School District No. 167. I am a holder of $5,000 of the bonds and am wondering what the possibilities of receiving arrears of interest amount to.

The Swift Current school district affairs are being worked out under an agreement made between the bondholders' committee and the city. If this plan is adhered to, the difficulties should be overcome in time. You might keep in touch with John Appleton, secretary of the Bondholders' Committee, Times Bldg., Toronto.

DOMINION IRON BONDS

Lawyer, Calgary.—Would you kindly advise the market value as at September 28, of Dominion Iron Steel first mortgage 5 per cent. bonds, due 1929, and if you think it would be advisable to sell or to hold for an advance in price?

The market on the Dominion Iron and Steel Co. bonds due 1929 is 91 to 92. The equity behind the bonds is sufficient to make the bonds rank with the best of industrials. They are listed on the Toronto Stock Exchange and are highly regarded.

The price looks reasonable in view of the security. They should sell higher, but the market is more limited since institutions and many private investors prefer longer bonds.

NANAIMO COAL

A. C. S., Lambton Co.—Can you please give me any information about Vancouver-Nanaimo Co.? I understand this company went into liquidation two or three years ago. You will favor me greatly if you can tell me how the shareholders were treated in the final winding up. Also what dividends were paid during the war years.

This company was organized in 1907 and operated for a time on the Jingle Pot mine. It was reopened in the war period and reorganized into the British Columbia Coal Mining Company. We are unable as yet to give the basis of the reorganization. In 1920 the mine was closed down as having been worked out. Its total production was 800,000 tons of coal from 70 acres.

CHAPUT AND TECK HUGHES

Reader, Simcoe.—I heard that Teck-Hughes people are considering or negotiating for the acquisition of Chaput-Hughes. It lies next to Teck-Hughes property, as you know. I see there was some activity on the stock exchange about the time I heard the rumor and if there is any ground for it, I would like to acquire some more shares.

We got in touch with some people quite close to Teck Hughes. They said that no proposal to take in Chaput Hughes had come to their attention. They admitted, however, that President Denison could negotiate up to a certain point before the news would get out. They said that such a move was a logical one for the Teck to make. As to Chaput Hughes, the last word from the North is that they are contemplating operations by using the old Kirkland Lake shaft.

It looks as if such a merger is one that is not to be classed as an impossibility.

ASBESTOS CORPORATION

Banker, Victoria.—What is wrong with Asbestos Corporation? There seems to be no end to the fall of the common stock. I have not seen any news items concerning the company's affairs in your paper for a long time, and am therefore anxious to know if the continued fall can be attributed to any particular cause.

Asbestos Corporation has suffered in the past year from three causes; competition in the European markets from foreign countries that also produce asbestos, from price cutting competition between the Canadian companies, and from a serious fire at its plant that interfered with production. The company is in a sound position financially, although a part of its assets have had to be used for reconstructing its mill, but, nevertheless, the unsatisfactory showings of the present year have brought about the decline in the stock.

It might be a very constructive factor if the various asbestos companies were to merge or at least pool their interests in the marketing of their products. In any event the industry at the present moment is obviously in need of a more centralized leadership.

LYALL CONSTRUCTION

H.H. Montreal—I wish to ask your opinion re Lyall Construction common. Unfortunately I have been carrying for some years a heavy load of this stock, and if you can give me any information as to the prospects of this company I would appreciate it very much. Are they making money on present contracts? Are they likely to resume the dividend shortly? Have they any prospects for further contracts when the Welland Canal work is completed or before that time?

It has been difficult to get any information regarding Lyall Construction Company later than that given to the shareholders at the time the annual report was issued. We know of no significant development in the company's affairs since that date and certainly no suggestion of the resumption of dividends. The prospects are fair for further contracts when the company has completed its work on the Welland Canal, for there must undoubtedly be building and construction developments of considerable importance in Canada during the next few years and the Lyall Company is in the position to compete favorably for such work. We understand that some of the work the company is now engaged on has not been particularly profitable as it has been deemed advisable to accept contracts that i themselves did not produce a very great profit, which enabled the company's equipment and organization to be kept busy. Such orders would be in the nature of a stop-loss transaction.

FIVE MINING PROSPECTS

E. W., Hamilton—As a subscriber of your paper I am availing myself of the opportunity of getting some information from you regarding the following five stocks: Chaput-Hughes, Atlas, Hattie, Keora, Wasapika. Will you be kind enough to inform me the extent of development of these properties, which of them have a mill, and why they are quoted so low on the stock exchange?

The relative position of the five mining stocks you ask about might be given as follows:

1. Keora.
2. Chaput Hughes.
3. Hattie.
4 and 5. Atlas and Wasapika.

Not one of the concerns has a mill. All are prospects. Keora has been the subject of favorable reports from some engineers of standing and is now diamond drilling. We would not be surprised to see underground development follow. The company has been handicapped by the lack of finances.

Chaput-Hughes has been closed down. The most recent report is that operations might be resumed, using the old Kirkland Lake shaft. There has been some speculation as to whether or not this property would be taken over by Teck-Hughes. To many, such a move seems a logical one, but we don't know whether it has had official consideration or not.

Hattie is a prospect with a geological condition that warrants the expenditure of money on prospecting.

Wasapika and Atlas are located in Shining Tree. It cannot be said that either stand out as a striking mining operation. The control of the Wasapika property is in the hands of the Ribble Gold mines. Neither mine has accomplished much for the time they have been in existence or for the amount of stock that has been sold.

MEXICAN SEABOARD

C. E., Halifax—Could you give me any information re Mexican Seaboard listed on New York exchange? I have a number of shares bought at twelve cents.

While we have no detailed information regarding the Mexican Seaboard stock, we would suggest that it is affected by conditions in general in the oil industry in America. For some months the market has been flooded with petroleum from new flush fields in California. Storage capacity for petroleum and for gasoline and other products is being flooded and new storage cannot be created fast enough to take care of the output. The result has been that practically all petroleum products have been cut and in some parts of the United States price wars have prevailed. Thus, despite the greatly increased consumption of gasoline and other products, this consumption has not kept pace with production and the usual consequences of the working of the law of supply and demand have been experienced.

Looking to the future, any question concerning the oil industry is bound up in production. There is a general feeling that the peak of the production of the new California fields is at hand but so far production has continued to increase and this at a time of the year when consumption is contracting has created a serious situation for the whole industry.

Looking at the whole situation, we would incline to the opinion that there will be a reaction from the present level of oil stocks when the fields pass their flush stage, but there is no saying what may happen in the interval if the flow of petroleum continues so great above consumption that storage facilities cannot take care of it and competitors continue to fight each other by price reduction.

CONSOLIDATED SMELTERS

Enquirer, Dunnville.—Would you please give me the following information regarding Consolidated Smelters: Capital stock issued, bonds issued, par value of stock, high and low prices of stock for each year from 1918, dividend rate when paid, and where products are sold? Is there in your opinion any likelihood of dividends being resumed in the next six months?

Consolidated Smelters have issued capital of $10,533,700. There are outstanding $3,000,000 of 7 per cent. bonds, and $6,000,000 of 7 per cent. 20-year bonds. The par value of the stock is $25 a share. The high and low prices that the stock has reached in each year since 1918 have been as follows: 1919, 32½ and 18⅞; 1920, 32¼ and 15½; 1921, 21 and 13½; 1922, 28½ and 18½; 1923, 30½ and 25.

The dividend was increased from 8 per cent. to 10 per cent. for the quarter ended December 31, 1915. It was passed for the quarter ended December 31, 1920, and has been passed since. The company's products are sold in world markets and the price it receives for its products is governed by the metal markets of the world.

We would not like to forecast that dividends will be resumed during the next six months. At the annual meeting of 1922, the president, J. J. Warren, made a statement that was taken by some of the shareholders to indicate the likelihood of dividends being resumed during that year. The dividends were not resumed during 1922, nor have they since been resumed, and at the 1923 annual meeting the president made it clear that he had no intention of making any further prophesies regarding the payment of dividends. The fact that the stock is now selling at over par indicates that stock market followers expect an early resumption of dividend payments, but we do not believe that anything definite has been decided upon.

VANCOUVER MILLING

Adviser, Winnipeg—I have been requested by an old widowed lady to seek your assistance on her behalf; her husband, who died some time ago left among other securities bonds to the value of $1,000 in the Vancouver Milling & Grain Co. She has just received a letter from the National Trust Co., to say they have sufficient money to retire the whole of these outstanding at 102.50 and interest to date.

Is she compelled to sell? Would it be wise to sell? What would be her best move under the circumstances? She is depending on these and other dividends.

This lady does not have to turn in her Vancouver Milling and Grain Co. bonds unless she desires to do so. However, as they mature in two years, and she would have to invest the money then, we believe she would be well advised in accepting the offer. The price of 102.50 is attractive, since the bonds will only be worth par in 1925.

The money should be invested only in good bonds or mortgages. The new Dominion government issue would be satisfactory.

Diversification of investments is a good thing, but we are inclined to the belief that you have gone too far in this direction in eight different propositions with an investment of about $1,000 altogether. The majority of these are very speculative. We believe you would have been much better off in the long run to have made one or two investments of a more conservative character.

The Guaranty Company of Canada was formed last spring as a bond house to deal in government and municipal bonds. It has not been very active, and it is hardly likely that its earnings have been sufficient to provide for any dividends on the preferred stock. We are unable to get any evidence that the company will shortly increase its activities to any extent. The president is N. G. H. Neville, who had a somewhat unsuccessful and exceedingly short career as a bond dealer in Toronto, and the vice-president is G. A. Robinson. The only other director is A. J. Shorey. The stock consists of $40,000 of 6½ per cent. preferred anl $60,000 of common. Not all of this has been placed.

Ottawa & Hull Power Co., of Ottawa, is the re-organization of a former company of the similar name. New capital is being put into it, partially to provide for the extension of its operations, and arrangements are being made to develop a subsidiary, a very important water power site on the upper Ottawa river. The company starts out with fair opportunities of making good.

Mount Royal Hotel is declared to have had an excellent summer, and in one month, it is stated, earned the equivalent of three months' preferred stock dividend. The hotel, so far as one can judge from the short record of its operation, is proving a somewhat seasonable proposition, the tourist traffic in the summer providing it with an enormous revenue which must be spread over the full year, including the somewhat unprofitable winter season if the dividends are to be met. This proposition has yet to prove itself, and in the absence of definite data it is believed to be doing very well for an hotel in its first year.

Ottawa Film Productions seems to have sold its stock chiefly on a patriotic basis, support coming from people who were inclined to encourage with their subscriptions the making of films in Canada. Dominion Alloy Steel and Durant Motors are only fair speculations. Teck-Hughes is making a very good showing in the gold group.

OTTAWA FILM PRODUCTION

S. M., Ottawa.—Would you kindly let me have your opinion on Ottawa Film Production?

The company produced two pictures, "The Man from Glengarry" and "Glengarry School Days," at a cost of $120,000. The pictures were distributed in Canada and the United States and the directors of the company were satisfied with the success of the distribution. For instance, in the States the pictures were sold to the Hodginson Corp. on a fifty-fifty basis. The company got a cash advance of $50,000, of this about $30,000 was used for making prints and the remainder went to pay a 15 per cent. dividend to shareholders in September last. The pictures started to show in the States about the first of June and up to August 25 had earned for the company about $35,000. The earnings are coming in at the rate of $3,000 per week, but this money is being applied to the cash advanced of $50,000. The company expects by the first of November that the $50,000 will be wiped off and that they will be receiving about $12,000 per month without expenses. Some consideration will then be given by the directors to the question of dividends.

The pictures are not being distributed in England as yet, but the company has had an offer for the pictures on the basis of a cash advance of $15,000 for Great Britain and distribution on a fifty-fifty basis. One of the directors will leave for the Old Country about November 1 to negotiate for the completion of this contract.

There have been certain re-organizations in the company since it was first promoted. The man who in the minds of the public had the most to do with it, Ernest Shipman, has been eliminated. The directors include John Bain, capitalist, of Ottawa; Mrs. R. H. Kennedy, president of the Ottawa Women's Club; John Black, manager of J. R. Booth, Ltd.; Walter Ross, of J. R. Booth, Ltd.; and Geo. C. Graves, of the George C. Graves Construction Co.

CURRENT OPINIONS

BEATTY MAKES HIMSELF CLEAR

Calgary Herald

Mr. Beatty's public utterances are distinguished by three principal characteristics. They are lucid. They are restrained. They are courageous. The latter quality marked the speech he delivered while in London when a section of the British press was scolding and threatening Canada for its action in relation to the Grand Trunk. With the merits of that dispute Mr. Beatty did not mix. However, he boldly intimated to the British public that if Canada meant as much to the British Empire as the British Empire meant to Canada the threats of withdrawal of British capital from this Dominion would not be continued.

The second characteristic, restraint, was finely exemplified in President Beatty's recent statement in reply to the Montreal Star's attack upon the Canadian Pacific in relation to the settling of that railroad's lands. His answer to that was an overwhelming array of facts and statistics, and a reasoned, quiet and most able defence of the railroad company's past actions and present position.

The first and most valuable distinction attaching to Mr. Beatty's public statements, whether in the press or on the platform, lucidity, is present in all his expressions of opinion. He is never rhetorical. One simply constructed sentence follows another. There is never any doubt as to the exact meaning of each of them.

IMPROVING OUR BANKS

St. John Journal

Talk of the Government of the country taking over the banks and operating them is absurd, as also is the suggestion that the Government appoint a huge army of inspectors to make periodical calls at all branches. The best way to improve our banking system is to study the systems of other countries and so far as is possible, without dislocating our present system, incorporate into it the good points of the others which we have not already.

MILLIONS FOR THE ASKING

Edmonton Bulletin

An issue of Dominion bonds, amounting to fifty million dollars, has been sold to a Canadian syndicate, at a price said to be better than the recent railway loan negotiated in New York. When a transaction of that magnitude can be put through with little or no attempt at publicity it is evident that the days of small things have gone so far as the national financiers are concerned. In pre-war days it would have taken months of preliminary advertising to make a sale of that dimension "go." And that the issue was taken up by Canadian financiers ought to help dispel the notion that the country is in a bad way. Fifty million dollar loans cannot be floated off-hand in a community of eight million people who are hard up. Canadians are a good deal better off than they seem to want to allow themselves to think.

THE CANADIAN REPUBLIC

Le Matin, Montreal.

Certain American journals profess to see Canada in the future as an independent sister republic to that of the United States.

Unless Mr. King for his own glorification links Canada up to England by the political bonds of an Imperial federation—which would involve the formation of a similar federation adverse to the Continental powers—it is certainly probable that Canada, flying with her own wings, may deny the necessity of the presence of a governor-general and may become an independent republic.

There is only one thing that will ever cause Canada to be joined to the United States; that is the obstinacy of a government without energy in keeping so many "Magnans" in office, and in not creating a minister of Public Instruction.

The number is rapidly increasing of people who, like myself, would prefer to see their children educated in English, in Italian, or even in Russian rather than see them ignorant in French.

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NEWS AND VIEWS ABOUT BONDS

DEALERS OFFERING SMALLER BALANCE OF DOMINION LOAN

Prospects For Active Fall Market Around Present Prices

The interest of the bond market through the week was centred on the Dominion loan. Originally set at $50,000,000, it was increased to $172,000,000, the total amount of the maturing 1923 Victory loan, and subsequently to $200,000,000. The big subscriptions from institutions last week were followed by increases in some cases and by many additional ones for large amounts. The interest of the public developed to such an extent that many dealers were forced to refuse orders. Many of those holding the 1923 Victory bonds delayed in turning in their bonds, and they may now be unable to convert them.

While the loan has been oversubscribed, as far as the syndicate is concerned, most dealers still have blocks of the 20-year bonds to dispose of. They have already been traded among brokers at a half point in advance of the issue price. It is known that the larger part of the bonds were sold for cash rather than under the conversion privileges.

Was the loan a good thing for the bond market? Will it prejudice the chances of other issuing bodies in the market? These questions are being asked by investors, dealers and government officials. It is certain that the issue made it impossible for provinces and municipalities to secure suitable bids on bonds offered during the past two weeks. The consensus of opinion, however, is that it will stabilize the market. For some months there have been many who felt that prices had advanced too much in view of the higher rates prevailing on mortgages. All doubt as to the soundness of present price levels is now dispelled. A good part of the money still in the 1923 bonds will soon be seeking reinvestment. This in itself should justify good prices for other issues. Some believe that Ontario and some of the large municipalities requiring funds could offer their bonds immediately and receive attractive prices. Others are more conservative in their estimate of the situation. They point out that some time will be needed still to finally clean up the present issue, and some institutions will be out of the market for some time to come. Consequently they believe that a three-weeks' delay on other issues would be beneficial. With an active demand and reasonable number of good issues offered, the prospects for the fall months are good.

A striking contrast to the firm conditions in Canadian bond circles is seen in the United States where trading is negligent and sales are restricted. Canadian bonds are offered at low prices in New York but the rate of exchange is too high to permit of many being brought into the Canadian market. Should the Canadian dollar gain in value, a supply of bonds for Canadian investors could be secured from that quarter.

The sales of small municipal issues set for the past week were cancelled, and no others have been reported.

September Bond Sales

New bond issues of Canadian government, municipalities and corporations totalled $62,767,976 in September. For the first nine months of the year the sales amounted to $290,058,918. Following is the record for the month and for the year to date:

Municipal	$ 8,717,976
Corporation	4,050,000
Dominion	50,000,000
Total for September	$62,767,976
Year to Date	
January	$ 37,890,162
February	51,758,746
March	23,609,657
April	18,218,469
May	22,279,363
June	41,216,162
July	30,326,983
August	1,991,400
September	62,767,976
	$290,058,918

FEDERAL SPENDING INCREASED IN 1922

Tax Conference Wonders if There Was a Proportionate Increase in Ability to Pay

Expenditures of the Dominion of Canada averaged $40.63 per capita in the fiscal year 1922. This compared with $42.59 in the previous year, a reduction in the per capita cost of Federal government of $1.96. But there was a per capita decrease in debt charges during the year and a decrease in various expenditures growing out of the war; the cost of ordinary government increased by 73 cents a head in that year. The figures are those of the Canadian Tax Conference.

It is also pointed out that the per capita expenditure of 1922 was almost two and a half times greater than that of 1914. A sum equal to the total expenditure of 1922 would have more than wiped out Canada's net debt of 1914. Says the Conference:

"If it could be shown that the ability to pay, of the average citizen, had increased proportionately to the demands on his purse, i.e., that when he is called on to pay twice as many dollars in taxes, he has twice as many dollars to pay them with, the increase in the number of dollars in the public debt and the public expenditure would mean little, as it took more dollars in 1922 to buy equivalent services than it did in 1914. Failing such proof, and admitting that the relative burden of government is greater, there are only two ways to lighten the burden:—one, to do without some of the less essential services; or two, to discover means of cutting down the costs of producing existing services. Is either possible? Only when economy and efficiency become good politics. They will become good politics only when the "savers" are as vocal as insistent and as astute as the "spenders," and when citizens and constituencies are willing to have national economy begin at home—their home."

UNLISTED BONDS

	Bid	Asked
Abitibi Gen Mtge. 6's 1940	95	96
Algoma Steel 5's, 1962	..	40
Amer. Sales Book 6's 1927	98	..
Ashdown Hard. 5%, 1928 c.	94	..
Brompton P. & P. 8% 1941	108½	..
Can. Machinery 6's, 1940 ..	72	80
Canada Salt 7's, 1941	101	..
Davies, Wm. 6's, 1942	..	90
Dom. Iron Steel 5's, 1939 ..	76	78
Dunlop Tire 6's 1927	98.50	..
Dom. Sewer Pipe 6's, 1927	94½	..
Dominion Mfg. 6's, 1933 ..	82	87
Eastern Car 6's, 1952	93	..
Gord. Iron & Fare 6's 1927	..	40
Harris Abattoir 6's, 1928 ..	99	..
K. & S. Tire 7's, 1925	78	83
Lake Superior Pap. 6's 1941	103	..
Marcus Loew's 8% Notes	90	94
Mattagami Pulp 6's, 1937 .	66	..
Mattagami Pulp 7% deb. ..	33	35
Morrow Screw 6's 1931 ..	84	..
Neilson's Wm. 6's 1933 ..	97	..
N. S. Steel 6% deb.	..	82
Simpson Robt. 5's 1952 ..	85	..
Spanish River 8's, 1941 ..	104¾	106½
Stan. Clay Prod. 6%, 1942	..	90
Whalen Pulp 7% deb. 1932	..	50
Western Power 5's, 1949 ..	86	88
Burns, P. 6½, 1943	97½	98½
H. Smith Paper, 7%, 1941 ..	100	102
Manitoba Power, 7%, 1941	101	102

GOVERNMENT MAY NOT REQUIRE BOND ISSUE NEXT YEAR

1924 Maturities May Be Met Without New Financing

From Our Own Correspondent.

MONTREAL. — Subscriptions of $200,000,000 to the new Dominion loan gave the Minister of Finance $28,000,000 more than he required to meet the loan falling due on Nov. 1. This fact, coupled with the exceptionally buoyant revenues of the Government, lead to the belief that no borrowing on account of the Dominion of Canada may be necessary during 1924. On Nov. 1, 1924, there will be about $108,000,000 of five-year bonds of the 1919 issue maturing, and it may be considered advisable by Mr. Fielding to refund this issue without borrowing. Savings in governmental expenditure; increases in revenue and cutting down of railway deficits combined may make such action possible. In any event, it should be necessary to borrow but a small sum in 1924 and this might be obtained in connection with railway borrowings at home, in New York, or in London.

Stimulus to Market

The effect of this record-breaking distribution of government bonds—record breaking for a time of peace—is likely to be to give added stimulus to the bond market not only in Canada but in New York, where bond prices and sales have lagged lamentably during the past six months. Theoretically it would seem that the raising of such a large amount of new money as was provided by this loan might drain the investment market of all readily available funds for investment, but past experience has disproved this. It has been found that the successful flotation of a large issue of government bonds brings out a strong note of confidence; gives the investment market such momentum as to make subsequent issues of less-attractive securities better received. This will be particularly true in the present instance if, as expected, the bond market in the United States perks up as a result of this demonstration of investment solidarity, and American investors come forward with money for new issues of securities of their own institutions and corporations and of Canadian borrowers.

Was Home Issue Wise?

During the time the loan was being placed there was no voice to criticize the action of the government in floating it in Canada. All efforts were pressed in the single direction of putting the issue across in a big way. Now, in the aftermath of the whirlwind campaign, come some complaints. One bond dealer in Montreal stated to THE FINANCIAL POST that he considered it unwise for the Government to have sold the loan in Canada when the money could have been obtained on favorable terms in New York. The money for investment in Canada should have been left for provincial, municipal and industrial borrowing, he felt. His objection overlooks the fact that such a successful campaign will make the sale of these other securities easier. It also fails to take into consideration the undoubted advertising value abroad of the news of this proof of Canada's fundamental soundness and wealth.

There is point to that part of the bond dealer's criticism where he objects to the statements made during the recent campaign that the loan should be put across at home in order to make us independent of foreign markets for capital. This antagonistic feeling to foreign capital came out in the first lengthy press despatch discussing the loan, and in which it was remarked that New York bankers would be greatly peeved at being left in the lurch by Canada in the sale of these bonds. And the same feeling came out in the statement by the head of one of the large Canadian institutions who remarked that his company's subscription was based partially upon the desire to make Canada independent of foreign countries for capital.

Do We Want Money Independence?

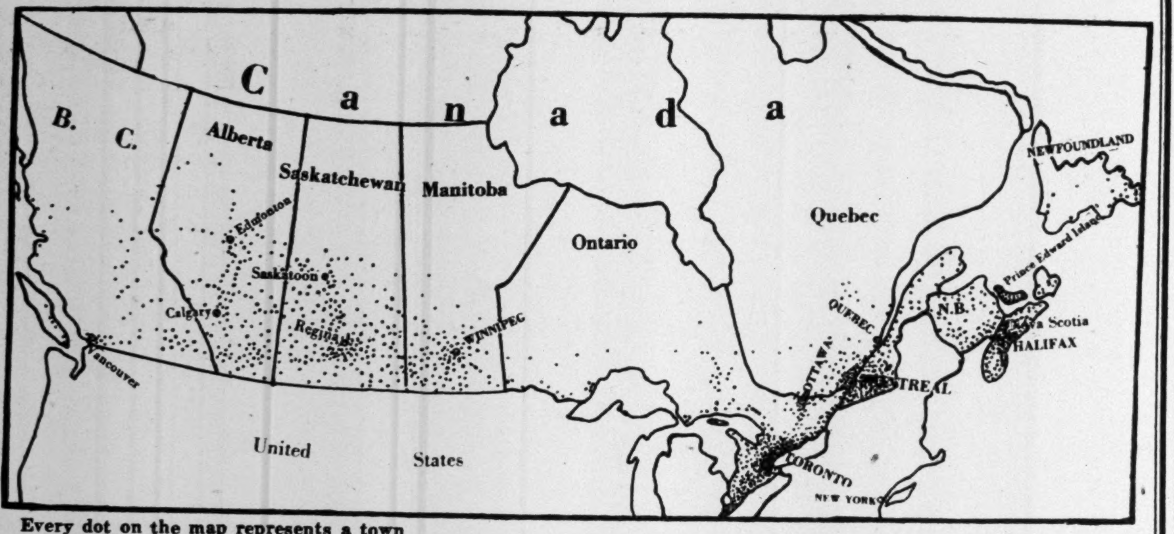
It is a question if Canada wants to be independent of foreign countries for capital. The weight of opinion would probably be that Canada wants as much foreign capital as possible invested here. Nearly every business and financial man in the country will subscribe to Premier W. L. M. King's plea for further investment in Canada which he made in London on his arrival for the Imperial Conference.

No; whatever may have been the good reasons for putting the loan across in Canada, this action was hardly taken as a step to making this young country independent of any British, American or foreign money

BOND MOVEMENTS OF THE WEEK

Week Ending October 2

BONDS—	Rate Int.	Year Due	Yield	High Range	1922 Low	Range 1923 High	Low	Ask	Latest Price Bid	High	Low
Bell Telephone	5	1925	5.32	98	94	101.90	97	—	97½	99¼	—
Canada Bread	6	1941	6.07	99	98½	100	96	99½	98½	99	98
Canadian Car	6	1939	6.00	101	95	100½	99	—	99	100	—
Canada Cement . . .	6	1929	5.52	100¼	94	103	100	—	102	102½	102
Can. Locomotive . . .	6	1951	6.07	100½	99	99	96½	—	96	99	98½
Cons. Rubber	6	1946	6.06	100¾	88	102½	99	100	—	99	—
Cedar Rapids	5	1953	5.22	97½	93	98¼	94⅞	97	—	97	96½
N. S. Steel	5	1959	6.20	90	78½	92	82¾	—	82¾	82¾	—
Montreal Trams. . . .	5	1941	5.73	93½	87½	96½	89¼	91¼	—	91⅝	—
Ogilvie	6	1932	5.55	102½	100	103¼	102	—	100	103¼	—
Quebec Rly.	5	1939	7.10	87¼	65¼	82½	68	82	—	80½	79¾
Wayagamack	6	1951	7.95	88¾	71¾	86¾	78	78	—	78½	78
War Loan	5	1925	4.70	96.30	96.10	100.95	99.10	100.80	100.70	100.75	100.25
Do.	5	1931	4.80	99.60	96.25	101.80	99.80	101.35	101.25	101.30	—
Do.	5	1937	4.74	101.50	99.50	103.30	102.00	102.75	102.65	102.85	102.60
Victory Loan	5½	1923	5.40	100.70	98.75	100.95	100.00	100.15	100.05	100.15	99.75
Do.	5½	1924	5.12	100.75	98.00	101.50	100.25	100.65	100.55	100.90	100.30
Do.	5½	1927	4.84	102.70	99.75	103.50	101.75	102.75	102.65	102.60	101.75
Do.	5½	1933	4.86	104.35	101.25	106.70	104.40	105.35	105.25	105.50	105.00
Do.	5½	1934	5.25	101.35	98.30	103.90	101.30	102.20	102.15	102.25	101.65
Do.	5½	1937	4.76	106.35	103.00	108.45	106.50	107.75	107.65	107.75	107.40
Renewal	5½	1927	5.19	101.10	99.40	102.80	101.00	101.75	101.25	101.60	101.50
Do.	5½	1932	5.26	101.00	99.70	103.15	101.00	101.90	101.75	102.25	101.50



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Before it is too late, send us your application for the new
Dominion of Canada
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5%
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Government and Municipal Bonds

Dominion Bank Bldg.
TORONTO
Canada

FOUNDED HB 1883

To Holders Of
Dominion of Canada
5½% BONDS
Due Nov. 1st, 1923.

With the 1928 issue of the new Refunding Loan heavily oversubscribed, investors are advised to make immediate application for the 1943 issue.

With the incomparable security back of them and high interest yield they afford these Refunding Loan 5% Bonds present a most attractive re-investment opportunity for holders of Victory Bonds maturing Nov. 1st next.

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Belgo Canadian Paper Company, Limited
7%
Preferred
Price $96.50 and Accrued Dividend
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We offer Safe, Sound
FIRST MORTGAGE
Public Utility Bonds to yield 7½%
Unlisted Stocks
Bought - Sold - Quoted
BALFOUR, WHITE & CO.
LIMITED
Investment Bankers
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Special
WE OFFER

	Price to Yield
EAST KOOTENAY POWER 7% 1942 (with bonus 25% Common Stock)	7.10%
NOVA SCOTIA TRAMWAYS & POWER 7% 1952	7.15%
CANADA STEAMSHIPS 7% 1942	7.20%
HOWARD SMITH PAPER 7% 1941	6.80%
BROMPTON PULP & PAPER 8% 1941	7.00%

These attractive offerings merit your consideration and the high yield rates may not be obtainable later on.

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WESTERN BOND ISSUES
We Specialize in Western, Provincial, Municipal and School Bonds
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DOMINION OF CANADA
REFUNDING LOAN, 1923
5% Bonds
DENOMINATIONS: $100, $500, $1000
Dated and bearing interest from 15th October, 1923
20-year Bonds—Price: 98¼ and interest

ORDERS FOR SMALL AMOUNTS
We have reserved a certain amount of these Bonds for the above purpose and will continue to fill all such orders in so far as possible.

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Limited
112 St. James Street MONTREAL
10 King St. E. TORONTO
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We invite subscriptions for
DOMINION OF CANADA
5% REFUNDING LOAN
MATURITIES
15 OCT. 1928—99 & Int. yield 5.23%
15 OCT. 1943—98¼ & Int. yield 5.14%
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Direct Private Wire to all Branches and New York

TOWNSHIP TAXES AROUND TORONTO ABNORMALLY HIGH

Some Rates at 70 Mills; Income Assessments High

That taxation is not always less burdensome in rural districts outside city limits than in large cities, is illustrated by the tax levy in York Township adjoining the city of Toronto. The rates vary according to the school sections, and some of them are in the neighborhood of 70 mills, as compared with 30.8 mills in the city. But the township property assessments, on which these rates are levied, are low as compared with assessments in Toronto.

Income Assessments

The same is not true of income assessments, which are even higher than in the city, for the amount of exemption is several hundred dollars less. Township incomes are fully assessed, and are subject to the excessive township tax rates. There are, however, few incomes assessable in the districts where the rates are most abnormally high. These are for the most part populated by people whose moderate incomes are offset by the fixed exemption and the allowance per dependent child. It is, in fact, the absence of incomes to tax, the comparatively low value of properties, and the large families, which make the rates in these districts so high.

There are a number of township districts where the school rates alone are higher than the combined school and general tax rates within Toronto. The Dawes road school section is one of these. It has a total rate of 71.9 mills, made up as follows:

	Mills
Rate for county purposes	4.9
Township current expenditure .	16.6
General school rate	4.2
Special school rate	.42.2
Waterworks maintenance	4.0
	71.9

This mill rate is in addition to local improvement taxes (including that for water mains) and in addition to regular waterworks charges.

The rates in a number of townships have shown remarkable increases since 1919 and as yet there are few signs of a decrease.

TIGER TIRE TO BORROW

The Tiger Tire & Rubber Co., Ltd., have authorized an issue of $150,000, 8 per cent., 10-year bonds, the money to be used to purchase additional machinery and to replenish working capital.

NEWFOUNDLAND BORROWS

Newfoundland Legislature has authorized the Governor to borrow $3,500,000 at 5½ per cent. interest for a term not to exceed 20 years, mainly for the purpose of covering deficits in the colony's budget. The issue will be exempt from all Newfoundland taxes.

PEPLER JOINS MACKENZIE & CO.

A merging of his interests with those of W. A. Mackenzie & Co., Ltd., Investment Bankers, 38 King Street West, Toronto, is announced by T. S. G. Pepler, who for many years past has carried on business at 106 Bay Street. The latter office has been closed.

CIVIC AND PROVINCIAL FINANCE

REPORTS SUCCESS OF TAX CAMPAIGN IN SASKATCHEWAN

Minister of Municipal Affairs Urges Early Payments This Year

Hon. C. M. Hamilton, Minister of Municipal Affairs for Saskatchewan, reports very gratifying results over the greater portion of the province for the "Pay Your Taxes Campaign" carried on last fall, the arrears of taxes in the rural municipalities showing a reduction of approximately sixteen per cent., while in a number of cases the reduction varied from thirty-five to forty-five per cent. The financial position of the municipalities as a result of these increased tax collections shows a considerable improvement over the previous year. The success of the campaign is commented on in a letter sent by the minister recently to all the secretary-treasurers of the Saskatchewan municipalities. In suggesting a similar campaign this year, the letter continues:

"The period of tax collection is here again and it is felt that the good work done by the municipalities last year might very well be duplicated in the year 1923. To this end it is suggested that councils make a special effort to impress upon their ratepayers the extreme desirability of their paying their taxes as soon as possible after they fall due. This might be done by means of notices in the press or circular letters to the individual taxpayers pointing out that taxes provide the lifeblood of the municipality and that unless taxes are paid, schools must close, roadwork cease, and all municipal undertaking come to a standstill. As pointed out in the communication sent out from the Department last year, the municipality can only give to the citizens in service whether it be roads, schools, telephones or hospitals, what it has first received from him in the form of taxes. The Legislature has given the municipal councils very wide powers of enforcing tax collection, but the discretion of the council is absolute and final in the use of these powers. It is much more desirable for councils to get ratepayers to realize the necessity of voluntarily paying their taxes than it is for the council to decide to use the drastic powers in its possession. Drastic tax enforcement measures are sometimes necessary and only the municipal council can decide that a situation calls for strong measures. Wide powers should always be used sparingly, and the greatest discretion is required on the part of the council in this connection."

THE FINANCIAL POST strongly approved of the "Pay Your Taxes" campaign put on in Saskatchewan last fall. A few individuals and some municipalities found fault, but the results more than justified the effort made to show that practical patriotism can be demonstrated very effectively by cheerfully and promptly doing what most people do slowly and grudgingly. And the remarkable improvement in tax collections has more than justified the effort made.

Tax Free Bonds Rapidly Disappear in Canada

The books of the syndicate handling the $200,000,000 Dominion Government loan were closed on Wednesday. A statement was issued by Wood, Gundy & Co. commenting on the size of the operation. It said in part:

"It is interesting to remember that prior to the war the largest Canadian Government Loan ever made was about £6,500,000. This was made in London. The present loan is the third operation to break all records for a single financial transaction in this country. The first was the sale by the government to Messrs. Wood, Gundy & Co. and associates of $19,000,000 of Victory Loan bonds purchased by the government in order to support the market in 1919 and 1920. The second record was the sale in July of this year of $22,500,000 Canadian National Railway Equipment bonds to a syndicate composed of Dominion Securities Corp. Ltd., Wood, Gundy & Co., A. E. Ames & Co., and a large number of associates. The present operation, of course, entirely eclipsed these former records.

"During the twelve months ending November 1 of this year, our government will have replaced $346,000,000 of tax free bonds with an equivalent amount of taxable securities, of which all but $100,000,000 have been taken up by Canadian investors."

Alberta Mineral Tax Payments Made Slowly

The Department of Municipal Affairs of Alberta reports that payments of the provincial mineral tax are coming in slowly. This tax was put into effect last April, and is a tax of three cents an acre on mineral lands, including oil lands. The C.P.R., which has large holdings of this class, has appealed to the Federal Government to disallow the legislation, and the Alberta Government has taken steps to combat this appeal.

Report on Municipal Sinking Funds in B.C.

From Our Own Correspondent.

NELSON.—That not one city in the Kootenays was short in its sinking funds during 1922 is shown in the annual report of the Inspector of Municipalities for British Columbia just made public.

In the remainder of the province, which contains 44 cities, 13 were short. Fourteen municipalities show a surplus, and of these, five are in the Kootenays. They are, Nelson, Cranbrook, Fernie, Revelstoke, and Trail.

Sir Thomas White Failed to Include The Expensive Demobilization Process

MONTREAL.—Sir Thomas White's very vigorous reply to the statement of Premier W. L. M. King that Canada financed the war entirely by borrowing emphasizes the difficulty of coming to any definite conclusions in a matter relating to public finance. Sir Thomas White stated that from 1914 to 1919 no less than $275,943,977 of the principal cost of the war was met by taxation and this did not include interest paid during that period on war debt or pensions.

Sir Thomas White's statement is not to be challenged. The impression it leaves, however, is open to attack. It is largely a question of deciding what was the war period. In the year 1919-1920, the twelve months following the period taken by Sir Thomas White as the war period, Canada spent no less than $346,612,955 on war and demobilization and smaller sums in 1921 and 1922, making the total cost of the war to March 31, 1922, $1,681,500,000 instead of the figure of $1,323,793,000 given by Sir Thomas as our war cost.

Taking the most favorable possible method of figuring, it cannot be shown that Canada met more than $60,000,000 of its war cost from March 31, 1914, to March 31, 1922, out of taxation. Here is the way the record lines up:

Total revenue of the Dominion from 1914 to 1922, not including sums borrowed	$2,277,713,573
Less: Expenditures chargeable to consolidated fund account.......	1,838,011,639
Less: Advances and subsidies to railways.........................	282,415,544
Total surplus revenue available to meet war costs of $1,681,500,000..	$57,286,390

Railway advances and subsidies have been deducted from revenue before determining the surplus available to meet war cost because no one considers railway advances as in the nature of a capital expenditure likely to be returned to the taxpayers of the Dominion. They are an annual expenditure pure and simple, that must be written off as made. On the other hand, capital expenditures have not been included. If they had there would have been no surplus to meet the war cost but rather a deficit of about $240,000,000 exclusive of war expenditures.

Small Communities Are Interested in New Loan

The small investor has played an important part in the speedy sale of the $200,000,000 Dominion Government loan. This is amply demonstrated by reports from small towns and villages to the bond houses engaged in disposing of the issue. In one case a Toronto firm received 16 distinct orders for bonds from an agent in less than one day. These varied in size from $500 to $8,000 each. The place where the agent is located has less than 800 population and there are two banks there as well. The people in Canada's rural districts have learned to appreciate the many advantages of government bonds. The undoubted security of principal, the assurance of prompt payments of interest and the ready salability are appealing factors.

Alberta Municipality Improves Its Position

From Our Own Correspondent.

EDMONTON.—The honorable mention list among Alberta municipalities now includes the town of Vegreville, which has made a comparative statement to the end of August showing a marked improvement in its general financial condition over the year preceding. Its tax rate has gone down from 71 to 55 mills, and 47.5 per cent. of its taxes have been collected as compared with 32.5 per cent. a year ago.

Vegreville has furnished another evidence of the good effect of a reduction in the tax levy. The ratepayers have been quick to respond to this year's call, and, in view of the lower rate, have even "hastened to get their money down on the counter," according to the local paper. This is one of the average-sized towns of the province and is in no way exceptional. It has very good management, however, and the results are showing in the way of municipal finances.

Tenders and By-Laws

TENDERS WANTED

Oct. 6, St. Therese, Terrebonne County.—$140,000, 5½%, redeemable by series from 1923 to 1948.

Oct. 8, Mount Royal Jacques Cartier Co.—$40,000, 5½%, 30-year bonds

Oct. 16, Saskatoon School District.—$30,000, 6%, 30-years. Wm. P. Bate, Secretary, Saskatoon. (See announcement on page 16).

Oct. 10, Township of Tisdale.—$25,000, 6%, 20-year debentures. Frank C. Evans Treasurer, South Porcupine, Ont. (See announcement on page 16).

Oct. 30, Stettler, Alta.—$18,000, 7%, 15-instal. debentures. E. Roberts, Sec.-Treasurer.

Newfoundland.—$3,500,000, 5½%, 20-year bonds.

SASKATCHEWAN

Debentures reported sold.

Schools.—Hazel Lake, No. 4517, $2,800, 10-years, 7%, A. J. Hansen, Prince Albert; Centreville, No. 2639, $4,000, 15-years, 6½%, Waterman-Waterbury, Regina; Zazula, No. 4526, $2,500, 15-years, 6½%, C. C. Cross & Co., Regina; Sacred Heart R.C.S.S.D. No. 19, $1,000, 20-years, 7½ %, C. C. Cross, & Co., Regina; Crestmont, No. 3463, $1,000, 10-years, 6¾%, C. C. Cross & Co., Regina; Milestone, No. 595, $20,000, 20-years, 6½% C. C. Cross & Co., Regina; Bechtel, No. 4527, $4,500, 15-years, 6½% H. J. Birkett & Co., Toronto; Lacadena, No. 4504, $5,000, 15-years, 6½% H. J. Birkett & Co., Toronto; Naomi, No. 4533, $4,000, 15-years, 6½%, W. McIlrath, Radville; Little Bluff, No. 387, $2,300, 10-years, 6½%, Melfort Sinking Funds; Leviathan, No. 4534, $4,300, 15-years, 7½%, Nay & James, Regina; Queen Mary, No. 2815, 10-years, 8%, Nay & James, Regina; Glenavon, No. 2446, $6,000, 20-years, 7%, Geo. Moorhouse, Regina.

Telephones.— White Shore, $1,000, 15-years, 7%, Geo. Moorhouse, Regina; Esterhazy, $300, 15-years, 8%, F. Miles, Regina; Woodleigh, $150, 15-years, 7½% Regina Brokerage & Investment Co.; Bishop, $1,000, 10-years, 7%, Regina Brokerage & Investment Co.

Villages.—Tompkins, $5,000, 15-years, 7½%, C. C. Cross & Co., Regina; Southey, $1,500, 7-years, 7½%, C. C. Cross & Co., Regina.

Towns.—Unity, $15,000, 15-years, 7%, C. C. Cross & Co., Regina; Gull Lake, $14,000, 15-years, 7%, H. A. Tully & Co., Winnipeg; Wapella, $7,000, 10-years, 7%, C. C. Cross & Co., Regina.

LITTLE LOANS THAT GREW TO LOSSES OF MILLIONS

(Continued from page 1)

charter a cargo he stopped in state at the Vanderbilt, and no attempt seems to have been made to operate the boats economically. The bank to-day stands to lose $1,300,000 on the account less any salvage that can be had by the sale of the boats and less any collection from Mr. Barnard, whose personal guarantee is understood to be on the loan.

Then there was the equally, if not more, lamentable episode of the New South and West New Orleans Street Railway. This goes back to pre-war days when the Home Bank and a Montreal trust company advanced many millions to the railway. The road had several Canadians interested in it, including, it is said, Edmund Bristol, K.C., and Grant Morden. In this connection it will strike many readers as a coincidence that associates of the group formerly running Canada Steamships Lines to their own benefit appear in two big Home Bank losses. Bristol and Morden were both directors of Canada Steamships and the trust company mentioned was also closely associated with Canada Steamships financing. The Davie Shipbuilding Company provided another dark chapter in Steamships history.

This Loss Also Grew

Back before the war the Home Bank had an apparent loss of about $250,000 on the New Orleans proposition. Perhaps it could have gotten out with much less than this to write off, for a large trust company in New Orleans had agreed to advance $170,000 against the Home Bank's holdings. But the directors disregarded, it is understood, the advice given them to get out of the proposition, and, as a result, the bank now has a loan of $1,050,000 including interest that it will have an awful job collecting. The railways have improved their position recently. They earned about $100,000 net in the past two years, and during the present year have made about $10,000 net, which is a contrast to the terrible losses of the war years, but which provides little for fixed charges.

As though two such rotten ventures would not be enough for one tiny bank like the Home Bank, other millions were plunged into other enterprises of a questionable character. There was the Western Canada Pulp and Paper Company that took over another company that had gone wrong and which eventually brought down a loss of about $2,500,000 on the bank.

Probe Widely Demanded

Is it any wonder that the public is beginning to boil with indignation at the fact of the Home Bank crash and is demanding that Ottawa investigate and place the blame for these cataclysmic losses. The sale of his stock by the Home Bank president and the mysterious million-dollar deposit by the Canadian National Railways add fuel to the fire. Sir Henry Thornton has explained his part in the million-dollar deposit and the explanation is likely to be generally accepted as absolutely fair. But Mr. Gough has not explained his recommendation for the deposit and there is a widespread demand that he resign from the C. N. R. board.

The sale of stock by the Home Bank president, Herbert J. Daly, is also unexplained. THE POST is informed of circumstances that seem to account for the sale. The story is that Mr. Daly pledged about 3,000 shares of Home Bank stock with a Buffalo trust company for a loan and that the loan was called early in the year.

It is also stated that Mr. Daly some time ago voluntarily handed over to the bank some $700,000 par value of his personal securities to the end of improving its position following these heavy losses. These securities, according to the information received, turned out to be of little value to the bank and many of them were practically worthless.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place	Sold To—	Rate	Term	Amount	Price	Basis
Sept. 27—	Saskatchewan Schools, etc.	Various	.....	....	$103,050	——	——
Sept. 15—	Bradford	Municipal Bankers	5½%	30-yr.	55,000	101.60	5.39

Dominion of Canada
1923
Refunding
Loan
5% Bonds
Conversions attended to.
New subscriptions solicited.
RENE-T.LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)
96

New
DOMINION
OF
CANADA
5% Bonds
Orders may be telephoned or telegraphed at our expense.
Exchange of Maturing Bonds effected without cost.
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MURRAY & COMPANY
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Government, Municipal and Corporation Bonds
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ADELAIDE 8293 - TORONTO

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AND
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HEAD OFFICE - MONTREAL

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Assets $53,605,630.49. Business in force $250,000,000.
Head Office — — — Waterloo, Ontario.

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Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$78,000,000.00
Policies Issued from $500 to $5,000
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The Maccabees has been established for 42 years, and is now one of the largest beneficiary orders in the world, with about 250,000 members.

Besides fraternal advantages, you will enjoy insurance protection in 20 Pay Life, Endowment or Straight Life policies.

The Maccabees operate on adequate rate basis. Premiums may be paid yearly, half-yearly or monthly. Full particulars about our attractive options in our free literature.

Write for it today to The Maccabees, Confederation Life Bldg., Toronto.

Assets $18,000,000
Join the Maccabees
Fraternity & Protection
Benefits Paid over $140,000,000
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AGES 16 TO 45

AGE	RATE
16	$29.10
20	31.10
25	35.10
30	40.00
35	46.50
40	55.60
45	67.90

POLICY GUARANTEES
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INSURANCE LIFE COMPANY
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INSURANCE FOR BUYER AND SELLER

DEPT. WILL NOT ALLOW MERGER OF NORTHERN LIFE

Former General Manager Issues Statement on His Dismissal

Recent disclosures of an attempt to sell control of the Northern Life Assurance Co. of London, Ont., to the Sun Life Assurance Co. of Canada, and the reported dismissal of the company's general manager, R. C. MacKnight, have brought forth statements from the persons concerned. Commenting on the proposal, F. B. Macaulay, president and managing director of the Sun Life says:

"I would like it to be understood that no proposals emanated from the Sun Life. The directors of the Northern Life came to us and asked the Sun Life to consider the matter. After an examination of the conditions, the Sun Life directors made answer outlining what they were prepared to do."

Refused Approval

The proposal was submitted to G. D. Finlayson, superintendent of insurance at Ottawa for approval. This was refused on the grounds that the policy adopted by the department is that in the future, say twenty-five years from now, when Canada will be a much more populous country, there will be need for several strong insurance organizations. With that in view the superintendent will not approve of a merger, or accept any proposals for reinsurance, where one of the companies is in a good position. Briefly, it was considered that the Northern Life was in a sound position and should continue to operate.

Manager Makes Statement

Following reports of his dismissal "for good and sufficient reasons," Mr. MacKnight issued a statement which reads:

"The board of the Northern is essentially the board of the defunct Dominion Savings and Investment Society, the failure of which after having paid dividends to their shareholders for over 50 years is public knowledge. It will be remembered that the board of the Dominion Savings was T. H. Purdom, president; Alexander Purdom, vice-president; Llewllyn Purdom, director; Thomas A. Rowat, director; Nathaniel Mills, director and manager. This group, with the exception of T. A. Rowat, formed and still form a working quorum of the Northern board, with the identical official positions, with the exception that I was manager of the company. This situation will amply explain the personnel of the balance of the board, and also a situation that is most detrimental and dangerous to shareholders and policyholders alike."

He also points to the development of the company since he joined it in 1918 from one with $13,000,000 of insurance in face, to a position where it had approximately $30,500,000 of insurance in 1922.

The statement continues in part:

"The shares actually owned by what might be termed the Purdom interest are stated in the last blue book of the insurance department:

"Alexander Purdom, 115 shares, $2,500 paid; Mrs Llewellyn Purdom, 15 shares, $1,500 paid; Margaret Purdom, 51 shares, $5,100 paid; T. H. Purdom, 2,290 shares, $10,150 paid; T. H. Purdom (in trust), 71 shares, nothing paid; J. Purdom estate, 100 shares, $1,000 paid; total 2,642 shares, $20,250 paid.

"In other words, the equity of the other shareholders, excluding these in actually paid-up capital, amounts to over $470,000, and an additional amount of approximately $116,000 was forced into the company from shareholders by the operation of by-law No. 17 of the company. This total shareholders' equity must apparently be made subservient and futile by the personal Purdom interest of approximately $20,000, and worse still, an almost negligible amount has been paid in premium on the above shares.

"Frankly, do the shareholders and policyholders of this company want a Dominion Savings Board and administration based on a flimsy investment by them to control the policyholders' and shareholders' assets, amounting to approximately $4,500,000?"

A statement to the press by T. H. Purdon gives his reasons for approaching the Sun Life to purchase the stock. It reads:

"Statements have been made that Mr. Purdom and those associated with him control the Northern Life by unpaid shares. This is absolutely false, as Mr. Purdom either owns or controls the majority of paid-up shares, partly paid, as well as 10 per cent. paid Mr. Purdom had no intention whatever of selling the Northern Life, which he believed would in a short time continue to pay dividends, but, and he was very unwilling to believe it, he found the manager and those associated with him were endeavoring to buy up control of the stock at far less than its value. He wrote several letters to Mr. MacKnight to call Mr. Master, his broker, off, and as far back as last May met Mr. Master and Mr. MacKnight in Toronto.

"Mr. MacKnight and Mr. Purdom called on the editor of one of the insurance papers, who quite agreed with Mr. Purdom's views, that it was an unfair thing for a manager to do, to apply to the shareholders to buy the stock at less than its value. An agreement was then made with Mr. MacKnight and Mr. Master and Mr. Purdom that they would make no further attempt to buy stock. Mr. Purdom continued on in perfect confidence, believing that the agreement would be carried out, but discovered later that they were secretly buying up all they could, and he discovered that at Chatham they had bought from some of the oldest and best shareholders of the company, at very low rates. Mr. Purdom consulted with John A. Walker, K.C., of Chatham, who advised him as one of the directors to endeavor to arrange a sale to the Sun Life.

"An offer was obtained from the Sun Life that they would pay 100 cents on the dollar for all money paid in and $26.50 per share for all shares. The Sun Life would take care of the staff and would take over all the contracts of the Northern Life. They would treat the staff as if they had been in the employment of the Sun Life during the whole time they had been in the employment of the Northern Life, and they would take the manager over, increase his salary and continue him."

Canadian at Insurance Advertising Conference

A Canadian, Glifford Elvins, of the Imperial Life Assurance Co., has been taking an active part in the work of the Insurance Advertising Conference. At a convention to be held in St. Louis on Oct. 22 and 23 he will discuss the life insurance phases of the principal topics, "Prospect Bureaus—Finding the Buyer for the Seller." The conference has as its object the development of effective advertising among insurance companies.

ENTER SUIT AGAINST INSURANCE COMPANY

General Accident Assurance Co. Opposes Claim Of Co-operative Soc. for $16,590

An action has been entered in the Ontario courts against the General Accident Assurance Co. of Canada by the United Farmers' Co-operative Company to recover $13,717.91 to recoup the firm in part for losses sustained due to stock shortages in various branches.

The total loss reported by the Co-operative Company amounts to $16,590.17; the insurance carried totalled $26,500. It is maintained that this was allotted in various sums to the different branches, and, it is stated, losses in some cases exceeded the insurance carried for that particular branch.

The statement of claim sets out the amount of loss sustained in nineteen branches and the amount of insurance placed for each branch. The list is as follows:

	Insurance	Loss
Aultsville	$2,000	$ 1,341.38
Embrun	2,000	369.08
Englehart	1,500	478.35
Fenelon Falls	1,000	523.94
Hagersville	1,500	597.73
Hanmer	2,000	191.31
Hawtrey	1,000	442.71
Lindsay	1,000	221.19
Perth	2,000	3,082.00
Peterboro	1,000	985.97
Port Rowan	1,000	576.24
Richmond Hill	1,000	849.31
Sturgeon Falls	2,000	3,107.30
Tilbury	1,000	1,582.96
Warren	2,000	1,049.67
St. Thomas	1,000	379.91
Seaforth	1,000	186.89
Smiths Falls	1,500	396.79
St. George	1,000	227.44
Total losses		$16,590.17

Two New Directors for Maritime Life

From Our Own Correspondent

MONTREAL.—Extending its directorate to include business men from New Brunswick and Prince Edward Island, as well as Nova Scotians, the Maritime Life Assurance Company has added to its board Stanley E. Elkin, of St. John, N. B., and Senator John McLean, of Souris, P. E. I. Mr. Elkin is president and managing director of the Maritime Nail Company, and a director of the Union Bank of Canada.

London Life Appoints Managers for Toronto

The appointment of Frank Robinson and W. C. Laird to the management of the Toronto office of the London Life Insurance Co. has been announced.

Frank Robinson, who will be manager, has had more than ordinary success as a life underwriter. At first he began as part-timer, combining salesmanship with the work of principal of a school in Rainy River; then he was offered first a position with the London Life whole time staff, and later the management of the district of Western Manitoba, with headquarters at Brandon. There he made a record as an underwriter. He was formerly a minister and has shown much originality in handling insurance problems.

W. C. Laird, who will assist Mr. Robinson, is a son of Senator H. W. Laird, of Regina. He is a graduate of Toronto University, and has had considerable experience in accident and life insurance. He has been with the London Life at Regina for some time, and has been a continuous member of the Production Club.

Business Man Misled by Double Indemnity Clause

In regard to life insurance companies, there is likely to be confusion between "Double Indemnity" and the double liability of the bank stocks. The term applies to a new clause added to any regular life insurance policy by most companies, for a small extra premium. It provides that if the insured dies as the direct result of an accident the insurance company will pay double the amount of the face value of the policy.

It has no bearing on the stock of a company whatever. While life insurance stock has no double liability it is usually paid for by "calls" and in cases where the subscribed stock is not fully paid up the shareholders are liable for the unpaid balance.

Misunderstanding in this case is typical of many ways in which purchasers of insurance may be misled, especially at a time when actuaries are working out new policies and clauses. Those engaged in insurance work should pay special attention to avoid such mistakes, as they tend to decrease the confidence of the public in insurance principles.

ATTEMPT TO STOP DISCRIMINATION IN MARINE RATES

Claim Losses in North Atlantic Moderate; Seek Lower Premiums

It is claimed that a serious handicap to Canada's commercial and industrial expansion since 1900 has been the discrimination by British marine insurance underwriters against Canadian Atlantic ports, and in favor of neighboring ports on the United States seaboard adjacent to the Dominion.

Up until 1900 tonnage bound to Canadian ports had no restrictions imposed upon it, with the exception of being barred from St. Lawrence ports between November 1 and March 31, when navigation was closed. In that year, however, two clauses, known as the British North America clauses, were inserted in the terms of time policies on marine insurance, and these had the effect of seriously restricting business to Canadian ports.

The rates adopted by the London Institute cover normal navigation and certain increased rates apply in other places The rates applying in the case of the North Atlantic ports are somewhat higher than those applying to United States ports further south. The discrimination applies to certain classes of cargoes as well as the vessels themselves.

Repeated efforts have been made to have these restrictions upon commerce removed, but without success, and now another step is being taken by the Canadian authorities, this time through those who will represent Canada at the Imperial conference in London, although the subject is not necessarily one for consideration at the conference itself.

The higher rates were originally imposed to provide for heavier losses sustained in some quarters. It would appear that this reason for higher rates to Canadian ports on the Atlantic has largely disappeared.

The Dominion government in the past 20 years has made more than the improvements asked for by shipping and insurance interests, and the percentage of shipping casualties has been reduced from .0058 in 1900 to .0007 in 1923. This percentage of loss, it is pointed out, is no greater than that experienced on the United States seaboard. It is learned that since 1900 about $27,000,000 has been spent on improvements to the St. Lawrence channel; that there is an annual expenditure of $10,000,000 for maintenance of lighthouses, fog signals, and other aids to navigation; that $100,000 is spent annually on the marine signal service, extending from St. John, N. B., to the head of the Great Lakes; that the utilization of radio-telegraphy for aiding navigation has been extensive; that $250,000 is spent annually on the pilotage service; that hydrographic surveys are being conducted continually, and that as a result many erroneous and damaging beliefs regarding the Canadian coast waters have been dissipated, and that $50,000,000 has been spent in the past 20 years in developing harbor facilities at Montreal, Three Rivers and Quebec. Another interesting fact is that Norwegian owners, on their Norwegian policies, have no such restrictions, and can trade to Canadian ports without having to pay additional premiums.

The result of the present negotiations will be awaited with interest by those directly affected by the marine insurance rates.

E. S. Poynton Joins Staff of Empire Life Ins. Co.

The Empire Life Insurance Co., of Toronto, has appointed E. S. Poynton manager of the Special Savings Policy Department. Mr. Poynton was formerly manager of the Toronto staff of the Province of Ontario Assured Savings Plan.

The Empire Life started business in February, 1922. At the end of August it had $550,000 of its capital stock sold and $1,000,000 of life insurance in force. To date the company has had no claims under its policies in force.

Claim Company Received Insurance to Cover Debt

Suit has been entered in the county of Middlesex by McMahen, Granger Co., of London, Ont., against J. E. Wolfe, Ernest L. Hopgood and B. M. Bici.

The plaintiff company is suing to recover the sum of $650 from each of the defendants. The three defendants are alleged to have put up the amount involved as surety for the firm of Clark & Dusty, of Essex County. This company sustained a heavy loss from fire and consequently the three guarantors are being asked to make good their sureties.

The defendants allege that the insurance was collected by the McMahen, Granger Company and that this money was more than sufficient to cover the indebtedness. In court the defendant's solicitors asked for a declaration of nonsuit, on the grounds that at the time of the fire that $7,900 was due to the McMahen, Granger Company, but that much more than that amount was paid to the firm by the insurance company.

The Canadian Chamber of Commerce in London is reported carrying on an excellent work. Recently new officers were elected, Sir Geo. MacLaren Brown, C.P.R. agent, retiring after two years on the chair. He was succeeded by Major A. Lorne Hamilton.

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35	102.00	139.25	201.00
40	121.75	158.00	208.50
45	147.25	181.25	220.50
50	181.00	211.00	239.00
55	226.25	250.25	268.25
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TO CONTINUE THE WHEAT POOL DRIVE ON THE PRAIRIES

Farmers Marketing Concerns Have Stated Their Attitude

From Our Own Correspondent

REGINA.—As soon as threshing is over in Saskatchewan the interrupted drive for the wheat pool will be continued, with the objective in view of securing sufficient waivers from those who have already contracted to deliver 4,100,000 acres, and whose contracts become null and void on September 12, and enough new contracts to secure for the pool between 60 and 70 per cent. of the total wheat acreage of the province for next year so that the Saskatchewan Wheat Producers, Ltd., may be ready in plenty of time to handle the 1924 crop. It is a tremendous undertaking, and if successful, will mean that the new association will have the handling of hundreds of millions of dollars each year; will have absolute control over the wheat crop of many thousands of farmers and the marketing of close to half the wheat crop of the Dominion. Saskatchewan is the great wheat-growing province, producing more than half the entire wheat crop of Canada, and if the wheat pool succeeds in this province, an interprovincial wheat pool, which in time would inevitably be enlarged to include other grains would supplant the present elaborate grain marketing system; put the Winnipeg Grain Exchange out of business, and completely upset the present methods of getting the wheat from the farmer to the ultimate consumer.

An appeal has been issued by the pool executive to contract signers asking them to immediately pay outstanding notes for about $70,000 in order that the Wheat Pool Committee may be able to successfully carry on its campaign.

Grain Companies Attitude

What is the attitude of the farmers' grain marketing companies now in business towards the wheat pool? Watchful waiting! Here is an extract from an editorial in the September issue of The Saskatchewan Co-operative News, the house organ of The Saskatchewan Co-operative Elevator Company:

> "Let it be clearly understood that the Farmers' Elevator Company is not opposed to any genuine improvement in the grain marketing system. On the contrary it will welcome any such development. But it cannot leave unnoticed the tactics of destructive critics who, using their support of new marketing plans as a screen for their operations, attempt to destroy the institutions already built up by the farmers in twelve years of consistent endeavor. The powers of the new wheat pooling organization have been outlined; but no one knows what policies it is likely to pursue."

Big Market in France For Groundwood Pulp

From Our Own Correspondent.

MONTREAL.—Experienced pulp and paper men who have been in France recently and have returned to Canada state that the French market could absorb up to one hundred thousand tons per year of groundwood pulp from Canada if this pulp were available. Canada cannot compete against the Scandinavian mills in the same of chemical pulp to France, but with mechanical pulp it is a different matter.

Recently Henri Rolland, one of the Rolland family which controls Rolland Paper Co., organized a company to sell the Canadian pulp and paper in France. He is now believed to be enlarging his activities to include other lines, because he found it inadvisable to attempt to market chemical pulp and was without a supply of groundwood pulp to be shipped to that country.

Mixed Farming Means Prosperity for the West

It is gratifying to observe that more and more, farmers in Western Canada are depending less on wheat for an income. The diversified method of farming is gaining in favor, and it is expected that this coming year many others will get away from overproduction of wheat, according to the Union Trust Company.

Wheat is a comparatively easy crop to grow. It requires less labor than diversified farming. The farmer has more leisure, but, economically, exclusive wheat farming is wasteful and speculative; wasteful because the farmer is employed in producing for only part of the year, and speculative because it places all the eggs in one basket.

SHIPPING ACT IS TOO SEVERE ON AMERICAN BOATS

(Continued from page 1)

patches to vessel agents here that Cleveland men were even more emphatic as to situation being hopeless.

In the meantime there is no actual shortage of October tonnage, the pinch, if it comes, will come in November, but the statement which has been made in some quarters that exporters are not buying because they fear a tonnage shortage does not seem to be borne out by the facts. One big export house said this morning: "We are not buying because we cannot sell. Last year there was heavy advance buying for export and many houses got caught and lost money. None of us want to take that chance again this year, and the banks would not let us even if we wanted to.

In the meantime the power of abortion of the market remains a puzzle to the trade.

If the season should prove open as did that of 1921 (when a boat sailed from Fort William to Port McNicoll between Christmas and New Year's) it would help considerably, though it is not a possibility to be counted upon.

No doubt, however, if the season continues open beyond the usual insurance dates the Dominion government will help out by assuring the responsibility of assurance and also of keeping the lighthouse service in operation as long as possible.

Vessel agents have prepared and very carefully checked a statement as to what they consider the actual amount the Canadian fleet can handle in October, November, and any part of December which may be open. They place the maximum at 71,040,000 upper lakes and Montreal direct, if the entire fleet was concentrated on the movement of wheat and no other grain, and if there were no delays. The total movement of grain in the single month of November last year was 85,000,000 bushels.

Rightly or wrongly there seems to be a feeling that the Dominion government has not shown all the willingness it might to adjust matters with the American vessel owners.

Act Goes Too Far

There is no doubt that the new act has gained its object insofar as the question of insurance is concerned, but it has certainly gone too far in the matter of the attempt to control American vessels coming in, while on the other hand there is no check, apparently, upon who shall get space, as the board of grain commissioners are not requiring vessel agents to file the names of those to whom space has been chartered, and while there have been no complaints so far in the matter of discrimination in favor of any particular shipper, there appears to be nothing to prevent vessel agents chartering day by day to one shipper only as long as they file the rate and the bare amount space chartered.

The situation is very much of a muddle, but in spite of it all, prices for all future months are fractionally higher than they were at the same dates last year.

William Rockefeller's Canadian Investments

From Our Own Correspondent.

MONTREAL.—The estate of the late William Rockefeller, brother of John D., who died some time ago, included a number of securities of companies in the group controlled by E. A. Robert, Senator J. M. Wilson, and associates. An important block was a holding of $300,000 of the 5 per cent. bonds of the Montreal Public Service Corporation, or to give it its new name, the Quebec and New England Hydro Electric Corporation. In the same company Rockefeller held 3,000 shares of stock, and is, therefore a brother shareholder with Sir Basil Zaharoff, the millionaire mystery man of Europe, who holds a few shares. Rockefeller also owned 4,000 shares of Montreal Tramways, worth around $600,000 at the present time, and 10,000 shares of Montreal Industrial Land Company, which holds large areas of speculative lands that are in the position to benefit from extensions of the Montreal Tramways Company's system.

He owned 2,500 shares of Nova Scotia Tramways preferred, and 3,700 shares of common of the same company.

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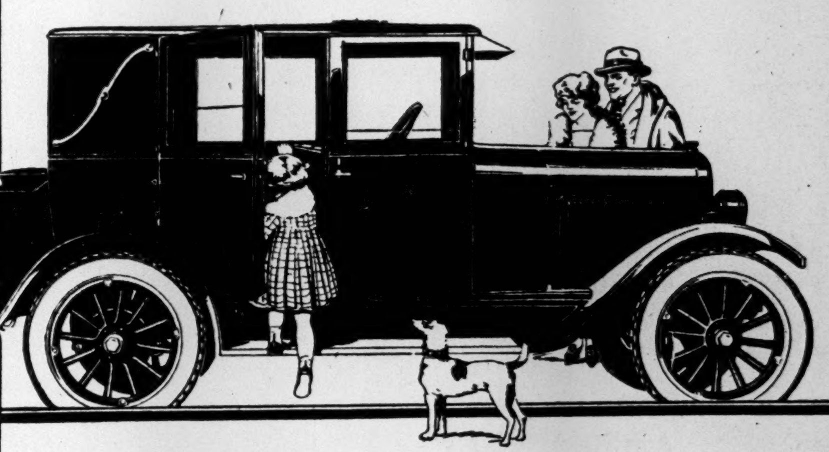

Return of the Chartered Banks of the Dominion of Canada, Aug. 31, 1923

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 9, of the Statutes of 1913

LIABILITIES

NAME OF BANK	Capital authorized	CAPITAL STOCK		Amount of Reserve Fund	Last Dividend declared	Notes in circulation	Due to Dominion Government	Due to Provincial Governments	Demand Deposits in Canada	Notice Deposits in Canada	Deposits Elsewhere	Loans from Banks in Canada	Balance due to Banks in Canada	Due to Banks in the U.K.	Due to Banks Elsewhere	Bills Payable	Acceptance under letters of Credit	Other Liabilities	Total Liabilities	Loans to Directors	Average Gold and Coin Held	Average Dominion Notes Held	Greatest Amount notes in circulation
		Capital Subscribed	Capital paid up																				
	$	$	$	$	%	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	31,175,000	27,250,000	27,250,000	27,250,000	12	39,242,553	19,628,716	4,944,834	126,343,212	288,552,452	72,910,161	....	2,826,858	193,901	355,639	166,252	3,048,167	979,256	559,192,009	503,489	24,965,921	57,677,617	40,840,540
Nova Scotia	15,000,000	10,000,000	10,000,000	19,500,000	16	14,717,619	574,512	1,443,589	31,691,501	105,828,113	30,710,070	....	2,504,342	45,365	1,134,819	398,917	376,479	5,422	189,430,754	755,162	9,474,251	11,893,482	15,309,709
Toronto	10,000,000	5,000,000	5,000,000	6,000,000	12	6,446,113	117,915	758,372	28,056,112	46,233,102	....	....	760,303	589,831	1,244,015	....	320,971	151,004	84,677,742	559,586	964,178	6,249,977	6,681,370
Molsons	5,000,000	4,000,000	4,000,000	5,000,000	12	5,286,356	110,713	517,146	12,965,923	41,326,324	....	....	131,718	13,357	278,337	....	315,193	733,649	61,678,720	90,733	589,649	3,578,292	5,490,631
Nationale	5,000,000	3,000,000	2,997,140	400,000	6	5,494,935	556,855	1,328,739	5,586,149	26,644,780	7,226,900	....	306	350	75,587	150,000	....	100,350	47,164,955	291,979	431,000	1,040,855	5,494,935
Provinciale	5,000,000	3,000,000	3,000,000	1,500,000	9	2,785,279	65,522	142,282	4,582,757	23,348,658	....	....	*4,186	....	1,162	....	....	161,975	31,091,824	....	184,774	266,279	2,915,389
Union†	15,000,000	8,000,000	8,000,000	1,750,000	8	7,994,025	6,670,947	2,961,733	28,361,872	57,352,077	5,198,139	....	668,734	1,491,832	1,422,516	....	1,133,529	169,242	113,424,650	822,393	1,163,389	6,373,052	7,994,025
Commerce	25,000,000	15,000,000	15,000,000	15,000,000	12	22,616,070	3,492,757	5,312,226	99,107,566	158,537,704	44,213,689	....	249,686	347,979	7,085,337	1,861,146	5,124,615	454,351	348,403,132	1,386,198	14,764,000	21,050,000	23,105,044
Royal	25,000,000	20,400,000	20,400,000	20,400,000	12	29,149,906	2,770,140	2,054,018	87,730,315	183,742,428	142,577,635	....	851,394	156,901	16,670,207	4,210,418	5,087,443	620,930	475,621,739	616,554	10,916,080	20,323,147	30,125,081
Dominion	10,000,000	6,000,000	6,000,000	7,000,000	12	7,480,809	348,136	371,854	25,806,814	63,966,742	1,724,271	....	1,123,680	989,927	1,413,811	142,140	1,030,679	505,348	104,904,218	345,658	2,063,000	5,815,000	7,670,581
Hamilton	7,000,000	5,000,000	5,000,000	4,850,000	12	5,209,527	1,816,584	716,656	13,234,923	38,046,927	....	....	120,340	22,168	335,100	....	120,225	....	59,622,455	996,825	913,779	2,290,313	5,306,352
Standard	5,000,000	4,000,000	4,000,000	2,750,000	14	5,455,985	3,861,456	564,669	13,823,122	38,924,574	....	....	1,369,548	1,060,417	1,513,846	553	50,983	174	66,625,330	43,500	1,735,477	4,054,622	5,455,985
d'Hochelaga	10,000,000	4,000,000	4,000,000	4,000,000	10	6,243,729	203,870	124,501	9,551,771	44,701,236	....	....	855	548,388	353,798	....	43,891	1,204	61,773,247	227,470	538,856	2,982,079	6,287,209
Imperial	10,000,000	7,000,000	7,000,000	7,500,000	12	10,344,976	553,196	2,693,372	27,498,111	60,847,425	....	....	928,528	17,036	454,957	....	132,004	....	103,469,608	132,435	1,973,618	8,766,186	10,538,559
Sterling	3,000,000	1,266,600	1,235,000	500,000	8	1,187,335	4,583,090	457,779	3,010,940	10,524,383	....	....	463,571	21,933	583,249	....	3,900	6,039	20,842,223	170,437	74,268	778,018	1,187,335
Weyburn Security	1,000,000	655,700	524,560	225,000	7	325,337	41,016	4,355	1,138,402	1,411,951	....	....	....	....	15,525	....	....	30,270	2,966,859	33,898	18,204	103,430	353,852
Total	182,175,000	123,572,300	123,406,700	123,625,000	....	169,980,554	45,395,425	24,396,125	518,489,490	1,189,988,876	304,560,865	....	12,004,049	5,499,385	32,937,905	6,929,426	16,788,079	3,919,214	2,330,889,465	6,976,317	70,770,444	153,242,349	174,756,597

*Bonds of the Merchants Realty Corporation to the extent of $2,834,000 secured on premises leased to the Bank are in the hands of the public. These bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Bank of Montreal return.

†Bonds of the Canadian Realty Corporation, Ltd., to the extent of $2,600,000, secured on premises leased to the Bank, are in the hands of the public. These Bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Union Bank return.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Deposit for note circulation	In Central Gold Reserves	Notes of other Banks	Cheques on other Banks	Balances due from banks in Canada	Due from banks in United Kingdom	Due From Banks Elsewhere	Government Securities	Canadian Municipal British and Foreign Securities	Railway and Other Bonds and Stocks	Call Loans in Canada	Call Loans Elsewhere	Other Current Loans in Canada	Other Current Loans Elsewhere	Loans to Provinces	Loans to Municipalities	Overdue Debts	Real Estate Other Than Premises	Mortgages on Real Estate	Bank Premises Written Off	Letters of Credit	Other Assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	24,791,832	55,214,538	1,320,000	16,000,000	4,449,258	18,447,746	....	2,846,400	6,646,431	50,993,712	30,355,715	2,840,581	6,667,489	120,589,515	220,578,266	15,785,616	1,637,767	22,426,164	1,014,293	565,061	938,631	10,000,000	3,048,167	*1,289,452	618,446,643
Nova Scotia	9,518,018	15,466,146	492,442	6,000,000	2,764,272	9,986,229	1,015	412,528	1,905,438	32,180,309	9,493,268	6,931,940	10,013,238	11,164,147	78,057,683	12,919,556	....	4,482,789	343,403	67,959	145,279	7,310,623	376,479	183,949	220,216,720
Toronto	935,453	7,025,317	278,464	2,150,000	614,370	4,265,818	....	....	728,051	15,405,777	3,828,657	1,500,600	7,709,123	....	46,390,238	....	....	2,710,404	374,300	....	....	3,474,927	320,971	....	97,712,476
Molsons	587,598	3,305,695	195,000	2,000,000	564,019	3,303,442	16,858	1,645,796	1,279,950	6,894,251	1,258,625	1,394,189	4,637,712	....	39,207,093	....	....	678,450	518,476	44,615	17,944	3,125,165	315,193	377,322	71,367,403
Nationale	430,435	904,860	150,000	2,500,000	623,558	1,717,048	1,125	....	881,256	16,244	6,654,994	8,423,566	499,139	....	25,538,753	....	....	328,822	875,672	469,228	329,178	178,369	....	324,975	50,847,231
Provinciale	189,317	290,871	151,565	....	542,850	1,913,414	2,669,982	21,535	183,311	2,450,160	2,963,708	1,401,256	5,652,631	....	14,358,403	....	....	1,426,304	207,202	5,500	9,650	1,310,714	....	166,937	35,915,316
Union	1,191,448	6,913,602	396,000	900,000	861,664	4,842,356	68,971	431,178	1,129,824	17,150,696	7,697,717	†3,574,893	1,928,021	519,452	60,773,422	2,602,004	3,596,903	4,613,057	414,737	231,219	386,950	2,366,166	1,133,529	7,481	123,731,300
Commerce	9,167,963	17,386,759	750,000	10,050,000	3,136,582	15,603,104	6,063	973,504	10,681,382	35,656,180	12,851,439	6,924,989	15,717,471	21,957,039	167,764,680	23,057,222	2,452,669	13,231,999	703,924	960,483	168,788	7,666,451	5,124,615	59,867	382,053,184
Royal	10,982,114	22,404,102	1,020,000	10,500,000	27,331,196	20,439,918	3,194	1,830,034	21,640,867	35,283,610	15,556,898	9,615,136	19,378,002	44,179,543	151,517,930	97,757,047	428,894	9,169,953	480,853	2,018,429	395,446	13,056,749	5,087,443	318,389	520,495,755
Dominion	2,070,309	6,208,299	300,000	2,000,000	962,762	4,466,407	32	94,459	1,347,000	17,241,670	3,620,787	2,559,106	6,178,201	3,404,195	59,085,878	352,215	....	1,251,974	339,309	65,668	15,125	6,207,647	1,030,679	429,939	119,231,672
Hamilton	948,293	3,193,890	250,000	500,000	587,620	2,370,241	282,769	146,222	476,573	3,149,868	2,779,070	408,124	7,147,726	....	38,020,619	....	18,339	4,146,209	493,011	700,417	110,966	3,382,374	120,225	375,746	69,608,313
Standard	1,758,602	3,502,134	200,000	1,700,000	440,713	2,961,972	100,000	27,908	484,468	8,705,887	2,395,[illegible]	344,065	3,051,777	....	43,449,089	....	....	1,983,736	270,729	253,440	69,000	1,887,471	50,983	70,824	73,708,144
d'Hochelaga	561,419	3,484,256	200,000	2,500,000	1,212,622	2,291,284	301,987	25,324	474,066	3,449,203	6,332,227	812,675	5,444,313	....	36,126,968	....	....	2,173,117	721,584	311,679	598,581	3,663,697	43,891	99,089	70,827,990
Imperial	1,987,895	9,337,164	330,502	4,502,533	1,458,289	5,573,908	537,021	382,067	1,752,572	13,970,386	4,615,895	406,829	3,980,520	2,100,000	55,740,781	....	784,138	5,044,866	458,531	439,685	381,652	4,790,042	132,004	605,556	119,312,844
Sterling	76,386	1,020,675	66,000	....	125,278	718,490	5,000	24,765	166,057	10,334,758	1,361,033	294,575	117,637	....	7,256,173	....	....	427,414	25,538	12,653	7,358	590,976	3,900	104,658	22,739,333
Weyburn Security	20,137	119,320	24,254	....	27,750	20,566	255,975	....	59,812	6,672	13,314	....	....	....	2,429,765	....	....	141,343	109,271	128,352	38,741	217,773	....	73,294	3,686,345
Total	65,217,219	155,777,628	6,124,227	61,302,533	45,702,803	98,921,943	4,249,992	8,861,720	49,937,058	252,889,383	111,778,687	47,432,524	98,123,000	203,913,891	1,046,295,745	152,473,660	8,918,710	74,236,601	7,350,833	6,274,388	3,613,289	69,229,144	16,788,079	4,487,478	2,599,900,669

Column No. 4. Of this deposit $9,502,533 is in gold coin; the balance is in Dominion notes.

*This amount includes $846,000 bonds of the Merchants Realty Corporation held by the Bank that were not issued to the public.—Foot-note to Bank of Montreal return.

†This amount includes $1,150,000 of Bonds of the Canadian Realty Corporation, Ltd., which were not issued to the public, and $999,300 of Stock of the Canadian Realty Corporation, Ltd., held by the Bank.—Foot-note to Union Bank return.

DEPARTMENT OF FINANCE, OTTAWA, SEPTEMBER 22nd, 1922.

Higher Accounting

Our Home Study Course, under the personal direction of W. S. Ferguson, C.A., and his competent staff, will qualify any bookkeeper for a higher position and prepare for a Canadian Accountancy Degree. Our record for past 20 years in training candidates for C. A. Provincial Exams. stands unsurpassed. Particulars cheerfully supplied. C. R. Chant, Mgr., Shaw's Accountancy School, 46 Bloor W., Toronto, Canada.

Refunding Loan, 1923

We shall appreciate any orders you may send us for Bonds of the new Loan.

20 Years Maturity

98.25

and interest from October 15th

R.A. DALY & Co.
BANK OF TORONTO BUILDING
TORONTO

CADILLAC

When you drive a CADILLAC you have the satisfaction that your car was built up to a standard, not down to a price.

CADILLAC CARS LTD.
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Yielding OVER

9% at present market price

8% Cumulative Participating Sinking Fund Preferred Stock

Canadian Connecticut Cotton Mills, Limited

Property and net current assets are valued at about $6,400,000 (of which nearly $1,250,000 is in cash or Victory Bonds). Against this the Company's only obligation is the preferred stock having a market value of approximately $2,500,000 or only about 40% of the intrinsic worth.

There are no bonds outstanding. The preferred stock carries the voting power and purchasers of preferred stock by lending the Company their money, practically secure a mortgage on the entire assets of $6,400,000 at a high rate of interest.

AVERAGING 15% ON PREFERRED

The stock is now on a regular dividend basis of 2% quarterly, but is 12% in arrears, owing to adverse business conditions in 1920 and early in 1921. For the year ended Sept. 9th, 1922, after deducting a $40,000 deficit for 1921, the earnings amounted to over $1,000,000, or about 33% on the Preferred Stock. This was due, mainly, to the acceptance by customers of postponed deliveries under high priced contracts.

This year's orders have been at current prices, which are very low, but the earnings will amount to approximately $440,000, or about 15% on the Preferred Stock.

WILL IT GO TO PAR?

Considering the earnings, the high rate of interest and the early possibility of payment of back dividends, the stock should be selling close to par and at the current price it is particularly attractive.

We have made a special study of these securities and any information desired will be gladly supplied on request.

Truax, Carsley & Co.

MEMBERS MONTREAL STOCK EXCHANGE.

96 Notre Dame St. W., Montreal

HOME FINANCES IN PRECARIOUS TRADE VENTURES

Loans on Basis of Chester Concession Are Typical

That the Home Bank was not conducted as a "bank" in the meaning of the Bank Act so much as a business concern entering upon many hazardous enterprises, is indicated by the report of Curator Barker. Losses on loans are estimated at about $3,800,000. They included a Toronto shoe manufacturing company, a South African veterans' scrip enterprise, pulp and timber concerns in British Columbia, a railway in New Orleans, mercantile organizations in Montreal and Toronto, and a Toronto firm, part of whose loans date back to the days of the Home Savings and Loan Company, out of which the Home Bank of Canada sprang thirteen years ago; loans to two former general managers of the bank, totalling many thousands, and the enterprise operating two steamships out of Montreal, concerning which there has been so much speculation; three real estate firms, the operations and financing of which were shown to be closely interwoven.

In the conduct of these various enterprises, which were made possible through investment in securities issued by the companies, losses were not recognized as they should have been in the opinion of the curator, who says that adequate provision had not been made for losses in years.

Hypothecation in Buffalo

Another dubious piece of financing by the directors which "horrified" an experienced banker like Mr. Barker was the hypothecation of bank collateral with a Buffalo bank. The particulars of this transaction will, no doubt, be brought out during the trial of the directors.

The trial of the directors should also bring out the correct details regarding the deposit of $1,000,000 of funds of the National railways in the bank for a few days. This did not come within the province of the curator. The allegation is that the annual statement was prepared on the basis of this deposit and that it was secured through the influence of Vice-president Gough, who is a director of the National Railways.

In connection with the loans to certain Toronto real estate concerns, an earlier loan to Pellatt and Pellatt was involved. There seems to be a considerable difference of opinion as to the assets behind these loans. Mr. Barker quoted Sir Henry Pellatt as saying that there would be a surplus of $1,000,000 in the properties.

Regarding the steamers which were practically owned by the bank through the securities of the operating company, and which report says were in the rum-running business, the curator gives no details. It would seem that the business venture may have been legitimate, but it may be regarded as a doubtful venture for a bank to finance.

The Chester Concession

Loans by the bank on the security of an interest of C. A. Barnard in the Chester concessions in Turkey, were indicated by explanatory statements by Mr. Barker. The advances made to Barnard were used for the operations of the British-Dominion Corporation. Further particulars regarding these transactions will, no doubt, come out in the trial of the directors and officials.

Clean Sweep in the Home Bank Arrests

The arrests in connection with the Home Bank affair include: H. J. Daly, president; R. P. Gough, vice-president; F. J. B. Russill, J. F. M. Stewart, S. Casey Wood, C. A. Barnard and Clarence F. Smith, directors; O. S. Smith, chief accountant; A. E. Calvert, acting general manager; Sydney H. John, auditor. P. A. Mitchell, director, London, has been summoned to Canada.

Bail has been fixed in sums of $100,000 and $50,000 for officers and directors and smaller sums for other officials.

The charges have to do with sending false returns to Ottawa under the Bank Act.

Good Crop Helps Sales of Lumber on Prairies

VANCOUVER.—For the first time in some years there is a decided improvement in the prairie markets for British Columbia lumber, which are taking a large quantity of low-grade lumber for granary and barn construction, leaving the better grades which are readily consumed by Eastern Canada. If present market conditions persist, available stocks will be pretty well depleted before the end of the year and the prospects are that the coming winter will be a very busy one. Attractive prices on railway ties will assure a big cut of these during the coming winter.

NEW TYPE OF CLOSED CAR

"The Champion" a new model Overland Sedan is being offered. It is more of the coach type, seating four adults. The rear seat is removable allowing 50 cubic feet of carrying space below the line of vision at the base of the windows. In addition there is a most convenient trunk arrangement at the rear. Both seats and upholstering make into a bed, full length and width of car. Willys-Overland reports a record year in production and its 1924 manufacturing program includes such a quantity of Champion cars that the company is introducing this latest closed car within a thousand dollars, list price f.o.b. factory.

Home Bank Report Shows Need For Supervision of Bank Affairs

(Continued from page 1)

at least $8,000,000. This does not include the liability of the shareholders to a call to face double liability. Here are the figures as explained by Mr. Barker:

Total liabilities	$18,486,978
Total assets	15,848,400
Deficit	2,638,578
To the above deficit must be added for loss in capital and other items	2,620,798
Total deficit	$ 5,259,376

This deficit does not take into consideration the realization of over $10,000,000 worth of assets (book value) which may easily mean another loss of $3,000,000. This would bring the total deficit to $8,259,376.

The total quick assets of the bank is given at $5,643,051. From the total of $5,643,051 must be deducted preferred claims amounting to $2,955,426 which reduces the total of quick assets available to depositors of $2,687,625.

A simple way of figuring out the financial significance of the figures is as follows:

Quick assets	$ 5,643,051
Preferred claims of noteholders and governments	2,955,426
Available for immediate distribution	$ 2,687,625
General liabilities, including depositors	$15,531,552
Required to pay 25 p.c. to all public creditors	3,882,888

Thus it will be seen that the readily disposable assets fall short by $1,195,263 of the amount required to make an interim 25 per cent. payment to the public creditors. If that payment is to be made someone has to have enough faith in the "assets not immediately collectible" of $9,229,997 to advance the difference. In any interim payment the depositors simply rank with other creditors.

Shareholders are Liable

The curator puts the deficiency between assets and liabilities at $2,638,578, not including capital lost. But if $4,500,000 has to be written off the doubtful or slow assets, the deficiency will be brought up $7,000,000 odd. Thus it would seem that the shareholders would lose all the $2,000,000 they put into the bank and have to pay the entire amount of their double liability.

Summary Statement

Following is the summary of the statement of assets and liabilities issued by the curator:

ASSETS

Cash on hand and assets of a readily realizable character, as valued	$5,643,051
Assets not immediately collectable, the actual values of which can only be determined with realization, book value thereof	$9,229,997
Equities in bank premises, real estate owned and mortgages upon real estate held, as set out above	$935,352
Fixtures and furniture at Head Office and branches, arbitrary value attached thereto	$40,000
Total	$15,848,400
Less—Claims of holders of circulation and of Dominion and Provincial Governments — payable in priority to claims of other creditors —as per list	$2,955,426
Equity available for General Creditors	$12,892,974

Liabilities

Claims of depositors and other creditors as per list	$15,531,552
Nominal deficit to creditors	$ 2,638,578
Capital stock paid up	1,960,592
Nominal Deficit to stockholders	$ 4,559,170

Heavy Losses Sustained

Heavy losses which have been sustained by the bank and other heavy probable losses are covered in the report from which the following are extracts:

Specific Losses

Two Shoe Companies

The King Shoe Co. and Canadian Shoes, Limited, carried on the manufacture of boots and shoes in the city of Toronto prior to, during and after the war; advances of the bank to such companies amounted to $577,558, of which it is estimated that upwards of $60,000 will be recovered, leaving a loss of $517,558.

Veterans' Script Losses

Certain advances of the bank, said to have originated in loans to brokers in the city of Toronto, against the security of South African war veterans' scrip, amounted at the time of the suspension to $275,347, and in respect of such advances losses to the amount of $250,347 are expected.

Arnprior Cabinet Company

The Arnprior Cabinet Company, Ltd. was established in November, 1917, at or about the time when the Home Bank of Canada opened a branch at Arnprior. The loans of the bank to the company amount to $120,410, and with the assets of the company encumbered with mortgages it is estimated that the advances will be a total loss unless Mr. H. J. Daly, who guaranteed such advance to the extent of $48,000, is able to make good his guarantee.

Due by Mason Estates

Advances to the estate of the late Brigadier-Gen. Mason and loans to the late Col. J. C. Mason, will, it is estimated return a loss to the bank of $97,214.

False Creek Timber Company

This company was incorporated in or about June, 1922. The Home Bank of Canada is said to have subscribed for one-half of the capital stock of the company and certain persons who were directors of the bank at the time for a large proportion, if not the whole, of the balance. The company is reported to have been formed for the purpose of assisting the bank to work out its investments in B. C. timber limits, but it is stated that it was unable to do so. The advances of the bank to the False Creek Timber Company amount to $126,394 and so far as can presently be seen no recovery can be expected in respect thereof.

Total, $1,111,923.

Unestimated Losses

Included in the estimated losses of $1,336,409 at the Toronto office, are provisions for estimated losses of $671,282 in connection with three accounts which are not specifically mentioned in order that realization thereupon shall not be prejudiced.

Other Probable Losses

The County Investment Company Ltd., $787,887. The value of the bonds and shares will be entirely dependent upon the success which may be met in realization of the assets over an extended period.

British Dominion Holding and Investment Corporation, Ltd., Montreal, $1,409,845. The definite value of the securities must be determined with realization. The debt is guaranteed by Mr. C. A. Barnard, Montreal, one of the Home Bank directors.

Manufacturers' Holding and Investment Co., Ltd., $661,228. The bank has collateral notes as security for $165,821, and the guarantee of Mr. H. J. Daly for $95,000.

Detailed Statement

Liabilities

(a) Preferred claims	$ 2,955,426
Composed of—	
(1) Notes in circulation	1,623,771
(2) Due to Dom. Govt. after deduction of the value of securities against which loans were made	9,738
(3) Due to Prov. of Ontario	1,246,917
(4) Reserve to cover taxes, rent, salaries, etc.	75,000
(b) To depositors and other creditors	15,531,552
A total of	$18,486,978

Available Assets

Cash on hand:—	
Specie	$ 225,028
Dominion notes	215,647
Notes of other banks	191,346
Cheques on other banks	358,067
Foreign balances recovered	174,539
	$ 1,164,627
Due by other banks in Canada	$ 66,200
Due by foreign agents	25,528
Investments in bonds and stocks —value thereof	179,731
Equities in securities hypothecated to lenders—value thereof	31,150
Agreement covering the sale of securities—value thereof	74,646
Loans and discounts at Toronto and branches—as valued	4,101,169
Valuation of assets readily collectable	$ 5,643,051

Substantial Assets

The following assets are of substantial value, but their actual worth can be determined only with realization and—largely over an extended period of time:

1. $250,000 par value of 8 per cent. preferred stock of the Ogilvy Co., Ltd., Montreal, cost thereof ... $225,000
2. Advances to Elgin Development Land & Securities Co., Ltd., secured by assets of the company which consist of real estate in Toronto, Hamilton and adjacent to Winnipeg also mortgages receivable and shares of land, insurance and industrial companies ... $214,433
3. Advances to Toronto City Estates, Ltd., $775,036. Secured by assets of company, which consist of real estate in and adjacent to Toronto, real estate mortgages and agreements covering the sale of land; also bonds and shares of other real estate companies.
4. Advances to County Investments, Ltd., $787,887. Secured by assets of the company, consisting principally of shares of the British & Colonial Land & Securities Co., Ltd., and shares of Toronto City Estates, Ltd., also shares of certain other companies.
5. Advances to A. C. Frost & Co., Chicago, Ill., against the security of Crown Grant Timber limit being lot 103 Malahat, B.C., and timber limits at Naden Harbor and Fry River, consisting of 42 sections held under licenses from the Province of British Columbia—Total of such advances as per books ... $1,856,301
6. Advances to and investments in the Port McNeil Timber Co., Ltd., owning 30 sections of Crown Grant timber and coal lands adjacent to Port McNeil, Vancouver Island, Province of British Columbia — as per books ... $1,004,804
7. Investments in and advances to the Howe Sound Pulp & Paper Co., Ltd., owning a pulp mill— said to be of 40 tons per day capacity—and 1,200 acres of timber adjacent thereto, on Howe Sound—about 25 miles north of Vancouver, in the Province of British Columbia, as per books ... $975,026
8. Loans and advances made against the security of $1,000,000 1st mortgage bonds (being the whole of the issue thereof) and certain shares of the capital stock of the South New Orleans Railway, Light and Power Co.—operating a street and surburban railway and electric light and adjacent to South New Orleans, Louisiana—total advances ... $1,143,334
9. Advances to the British Dominion Holding & Investment Cor., Ltd., Montreal, owning two steam vessels, shares in certain industrial companies and interests in coal mines and a cattle ranch in the Province of British Columbia—debt is said to be guaranteed by C. A. Barnard, Montreal—total advances ... $1,409,845
10. Investment in and advances to the Manufacturers Holding & Investment Co., Ltd., Toronto. Security held thereagainst consists of $50,000 8 per cent. preferred stock and $665,000 common stock. of James A. Ogilvy, Ltd., Montreal; collateral notes amounting to $165,821, and guarantee of H. J. Daly for $95,000, as per books ... $661,228
11. Aggregate of the advances made by the bank to Canadian Debentures Corp., Ltd., Toronto, to Dominion Industries, Ltd., Toronto, to London & Canadian Corp., Ltd., to T. S. O'Connor, and to H. J. Daly. Securities held include shares of the Daly Co., Ltd., Ottawa; stocks and bonds having a value of $26,778 and life insurance policies. Aggregate of such loans as per books ... $177,103

Total of above "Special" Assets, as per books ... $9,229,997

Bank Premises

Appraised value of bank premises owned by Canadian Property Co., Ltd., the entire capital of which is owned by The Home Bank of Canada	$ 2,048,700
Less—Mortgage securing $1,300,000 6½ per cent. 1st mortgage bonds due 1925-1943, with accrued interest thereupon	1,303,792
Surplus	$ 744,908
Bank premises owned by bank and not transferred to Property Co., cost thereof ... $82,905	
Total nominal equity in bank prem.	827,812
Real estate—other than bank premises—as valued	$ 57,513
Mortgages upon real estate—held by the bank—as valued	50,026
Fixtures and furniture at head office and branches — book cost thereof, $321,293—arbitrary value attached thereto	40,000
Total	$15,848,400

Approximate Deficiency Statement

Deficiency, as per statement of affairs	$ 2,638,578
Add—	
Capital of bank paid up	$ 1,960,592
Reserve fund	550,000
Debenture and contingent fund	30,000
Profit and loss balance	45,175
Dividends unpaid	2,329
Capital profit	38
General contingent fund	4,514
	$ 2,592,648
Reserves to cover unearned int.	$ 22,735
Interest reserve account	5,415
	$ 28,150
Ascertained deficiency	$ 5,259,376
Attributable to—Losses on loans:	
General	$1,250,523
Toronto	333,440
Special	2,210,952
	$3,794,915
Losses on mortgages held by the bank	51,189
Assets written down:	
Furniture and fixtures	281,293
Assets of non-realizable character	173,422
Sundry minor items	14,146
	$ 468,861
Difference between advances to Canadian Property Co. as carried on books of the bank, and the equity in the appraised value of its assets	$ 174,439
Losses on real estate, other than bank premises, owned by bank	54,883
Losses on investments and from the sale of securities by creditors	205,573
Losses in Foreign Department from exchange transactions	88,000
Reserved re foreign balances	20,000
Reserved for preferred claims and contingencies	275,000
Interest to Aug. 17, 1923, included in statement	86,802
Total	$ 5,219,662

Memo:—The deficiency above shown will be increased by any losses which may be met with on realization of the $9,503,444. Special assets and bank premises and real estate.

BABAYAN'S Limited
KING AND VICTORIA STS., TORONTO
Canada's Largest Importers of
ORIENTAL RUGS
We carry extra large size rugs suitable for Board Rooms, Banks and Private Offices
Rugs cleaned by our native experts

TENDERS FOR DEBENTURES

TENDERS will be received by the undersigned up till noon on Wednesday, the 10th day of October, 1923, for the purchase of $25,000.00 of 6%, 20-year debentures for an addition of Public School of School Section No. 1, Township of Tisdale.

Debentures will be for $1,000.00 each and odd hundreds, equal annual payment $2,179.61. The above is issued under Township By-law No. 248, and are guaranteed by Ontario Government.

Further particulars may be had from the undersigned.

Dated this 25th day of September, 1923, at South Porcupine.

FRANK C. EVANS,
Treasurer,
Township of Tisdale.

MIKADO IN LIQUIDATION

Mikado Consolidated Mines which was organized to operate an old property near Pt. Arthur has gone into voluntary liquidation. The directors held this action necessary on account of the uncertain condition of the money market and certain stock transactions which depressed the treasury stock.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Sept. 27, 1923	Change	%
Toronto	$ 95,441,394+	$ 4,679,067	5.1
Montreal	92,448,360+	4,247,660	4.8
Quebec	6,463,866+	1,393,695	27.4
Hamilton	5,710,941+	255,150	4.6
Ottawa	5,503,900—	131,591	2.3
Windsor	2,813,126—	786,638	21.8
St. John	2,713,386+	245,613	9.9
London	2,531,328—	37,840	1.4
Halifax	2,460,991—	150,600	5.7
Moncton	1,086,673+	66,962	6.5
Brantford	952,304+	26,549	2.8
Kitchener	834,886—	26,873	3.1
Peterboro'	762,416+	29,687	4.0
Sherbrooke	753,923+	63,267	9.1
Kingston	598,416+	39,366	7.0
Total East	$221,075,910+	$ 9,913,474	4.6

WESTERN CITIES

	Sept. 27, 1923	Change	%
Winnipeg	[illegible]	[illegible]	[illegible]
Vancouver	14,663,779+	$ 2,285,321	18.4
Calgary	4,674,576—	188,001	3.8
Edmonton	3,974,034—	160,043	3.8
Regina	3,730,922—	78,013	2.0
Saskatoon	1,892,903+	82,336	4.5
Victoria	1,835,853—	65,191	3.4
Moose Jaw	1,146,603—	204,179	15.1
Ft. William	1,027,054+	213,468	26.2
Lethbridge	710,534—	14,847	2.0
Brandon	658,559—	26,831	3.9
N. Westminster	555,953+	2,757	.5
Pr. Albert	364,734+	72,529	24.8
Medicine Hat	359,468+	29,186	8.8
Total West	$ 84,189,910—	$12,023,619	12.4
Grand Total	$305,265,820—	$ 2,110,145	4.6
Year to date	$11,552,034,616+	$90,388,690	.7

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	September, 1923	Change	%
Montreal	$384,074,873+	$ 2,809,312	.7
Toronto	376,276,962+	7,797,204	2.1
Ottawa	25,560,376—	851,786	3.2
Hamilton	24,962,298+	1,163,814	4.8
Windsor	13,486,479—	14,296	.1
London	10,965,494—	392,352	3.4
Halifax	10,861,532—	1,021,801	8.5
Brantford	4,036,858—	20,898	.5
Kitchener	3,872,395—	102,592	2.5
Moncton	3,609,562—	922,669	20.3
Sherbrooke	3,385,233+	140,798	4.3
Peterboro'	3,326,251+	391,539	13.3
Kingston	3,100,987+	344,450	12.5
Total East	$867,519,300+	$ 9,320,723	1.1

WESTERN CITIES

	September, 1923	Change	%
Winnipeg	$169,258,719—	$48,280,533	22.1
Vancouver	60,354,059+	4,456,169	7.9
Calgary	18,887,141—	590,631	3.0
Edmonton	15,658,463—	3,124,381	16.6
Regina	15,247,438—	503,117	3.2
Victoria	8,058,782—	410,767	4.8
Saskatoon	7,243,193—	398,202	5.2
Moose Jaw	5,271,132+	90,335	1.7
Fort William	3,903,921+	518,741	15.3
Lethbridge	3,012,060+	294,666	10.8
Brandon	2,838,850—	171,805	5.7
N. Westminster	2,472,926+	47,044	1.9
Medicine Hat	1,386,837+	15,305	1.1
Prince Albert	1,349,720+	42,522	3.2
Total West	$314,943,241—	$48,014,654	13.2
Grand Total	$1,182,462,541—	$38,693,931	3.1

BRITISH EMPIRE STEEL CORPORATION LIMITED

Notice of
PREFERRED SHARE DIVIDEND
SERIES B. No. 9.

A quarterly dividend of one and three-quarters per cent. on the 7% Cumulative Preference Series B Stock of the British Empire Steel Corporation, Limited, has been declared payable 1st November, 1923, to shareholders of record, 13th October, 1923.

By order of the Board of Directors,
C. S. CAMERON,
Secretary.
Montreal, 19th September, 1923.

Saskatoon School District Debentures

TENDERS will be received by the undersigned up to evening of Tuesday, October 16th, for purchase of $30,000 Saskatoon School District Debentures, repayable thirty years, sinking fund, interest at 6 per cent. payable half-yearly. Tenderers to bid (1) on payment at Saskatoon, Toronto, Montreal and New York, and (2) Saskatoon, Toronto and Montreal only, at holder's option.

Saskatoon Funds and Delivery; no tender necessarily accepted.

WILLIAM P. BATE,
Secretary Saskatoon S.D.,
321 21st St. E., Saskatoon, Sask.

THE CANADIAN BANK OF COMMERCE

NOTICE is hereby given that a special general meeting of the shareholders of The Canadian Bank of Commerce will be held at the Head Office of The Canadian Bank of Commerce at 23-25 King Street West, in the City of Toronto, Ontario, on Wednesday, the 21st day of November, 1923, at the hour of twelve o'clock, noon, for the purpose of submission to the said shareholders of an agreement for the sale by the Bank of Hamilton to The Canadian Bank of Commerce and for the purchase by The Canadian Bank of Commerce from the Bank of Hamilton of the whole of the assets of the Bank of Hamilton upon the terms set out in such agreement, and for the purpose of considering such agreement, and for the purpose, if thought fit, of approving of the same.

By Order.
JOHN AIRD,
General Manager.
Toronto, the 26th day of September, 1923.

Howard Smith Paper Mills, Limited

COMMON DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 1½% on the Common stock (being at rate of 6% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 30th day of September, 1923, payable on the 20th day of October, 1923, to Shareholders of record at the close of business on the 10th day of October, 1923.

By order of the Board.
HAROLD CRABTREE,
Secretary.
Montreal, September 24, 1923.

Howard Smith Paper Mills, Limited

PREFERRED DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 2% on the Preferred Stock (being at the rate of 8% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 30th day of September, 1923, payable on the 20th day of October, 1923, to Shareholders of record at the close of business on the 10th day of October, 1923.

By order of the Board.
HAROLD CRABTREE,
Secretary.
Montreal, September 24, 1923.

Canadian Car & Foundry Company, Limited, Montreal

NOTICE OF DIVIDEND

NOTICE IS HEREBY GIVEN that a dividend of three and one-half per cent. (3½%) on the paid-up preference stock of the Company has been declared payable on October 10th, 1923, to Shareholders of record at the close of business on the 29th day of September, 1923, and a further dividend of three and one-half per cent. (3½%) payable on the 10th day of January, 1924, to Shareholders of record at the close of business on the 29th day of December, 1923. Both dividends to apply on account of arrears.

By order of the Board.
A. C. BOURNE,
Secretary.
Montreal, September 28th, 1923.

Maple Leaf Milling Company, Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend has been declared for the quarter ending October 3rd, 1923, of one and three-quarters per cent. (1¾%) on Preferred Stock, payable October 18th, 1923, to Shareholders of Record at close of business October 3rd, 1923.

By order of the Board,
F. HOMER-DIXON,
Secretary.

Abitibi Power & Paper Co. Limited.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a quarterly dividend of One Dollar ($1.00) per share has been declared on the Common Stock of the Abitibi Power & Paper Co., Limited payable the 20th day of October, 1923, to shareholders of record at the close of business the 10th day of October, 1923.

By order of the Board.
L. R. WILSON,
Secretary.